

**NINETY-FIRST GENERAL ASSEMBLY
2026 REGULAR SESSION
DAILY
HOUSE CLIP SHEET**

March 18, 2026

Clip Sheet Summary

Displays all amendments, fiscal notes, and conference committee reports for previous day.

Bill	Amendment	Action	Sponsor
HF 2739	H-8233	Filed	SRINIVAS of Polk
HF 2739	H-8234	Filed	LUNDGREN of Dubuque
SF 378	H-8231	Filed	COMMITTEE ON TRANSPORTATION, et al
SF 2187	H-8230	Filed	COMMITTEE ON TRANSPORTATION, et al
SF 2453	H-8232	Filed	COLLINS of Des Moines

Fiscal Notes

[SF 2376](#) — [Contractor Bond Requirements](#) (LSB2245SZ)

[SF 2404](#) — [Special Schools, Pilot Program](#) (LSB5556SV)

[SF 2422](#) — [Public Assistance, Verification and Eligibility](#) (LSB6779SV)

[HF 2646](#) — [State Procurement Requirements, Foreign Agents, and State Sovereignty](#) (LSB6918HV)

HOUSE FILE 2739

H-8233

1 Amend House File 2739 as follows:

2 1. By striking everything after the enacting clause and
3 inserting:

4 <Section 1. TAXPAYER RELIEF FUND TRANSFER — FEDERAL TAX LAW
5 CHANGES.

6 1. On the effective date of this Act, there is transferred
7 from the taxpayer relief fund created in section 8.57E to the
8 general fund of the state, the following amount:

9 \$296,200,000

10 2. The transfer under this section is made in accordance
11 with section 8.57E, subsection 2, paragraph "a", for state tax
12 relief based on the reduction in state revenue for the fiscal
13 year beginning July 1, 2025, associated with 2025 federal tax
14 law changes pursuant to section 422.3, subsection 5, paragraph
15 "b", including but not limited to the allowance of income tax
16 deductions for qualified tips, overtime compensation, and
17 qualified passenger vehicle loan interest under the federal
18 Internal Revenue Code, as amended by Pub. L. No. 119-21,
19 commonly referred to as the One Big Beautiful Bill Act.

20 3. Notwithstanding section 8.54, the state general fund
21 expenditure limitation amount calculated for the fiscal year
22 beginning July 1, 2026, shall be readjusted to include one
23 hundred percent of the moneys transferred under this section.

24 Sec. 2. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
25 SUPPLEMENTAL APPROPRIATION. There is appropriated from the
26 general fund of the state to the department of health and human
27 services for the fiscal year beginning July 1, 2025, and ending
28 June 30, 2026, the following amount, or so much thereof as is
29 necessary, to be used for the purposes designated:

30 To supplement the appropriation made for medical assistance
31 program reimbursement and associated costs in 2025 Iowa Acts,
32 chapter 169, section 9, unnumbered paragraph 2:

33 \$ 70,300,000

34 Notwithstanding section 8.33, moneys appropriated in this
35 section that remain unencumbered or unobligated at the close of

H-8233 (Continued)

1 the fiscal year shall not revert but shall remain available for
2 expenditure for the purposes designated until the close of the
3 succeeding fiscal year.

4 Sec. 3. EFFECTIVE DATE. This Act, being deemed of immediate
5 importance, takes effect upon enactment.

6 Sec. 4. APPLICABILITY. The following applies to the state
7 general fund expenditure limitation amount calculated for
8 the fiscal year beginning July 1, 2026, and each fiscal year
9 thereafter:

10 The section of this Act amending section 8.54.>

11 2. Title page, lines 1 and 2, by striking <modifying the
12 taxes imposed on health maintenance organizations,>

13 3. Title page, lines 5 and 6, by striking <date, contingent
14 effective date, applicability, and retroactive applicability>
15 and inserting <date and applicability>

By SRINIVAS of Polk

H-8233 FILED MARCH 18, 2026

HOUSE FILE 2739

H-8234

1 Amend House File 2739 as follows:

2 1. Page 7, by striking lines 2 through 11 and inserting:

3 <Sec. _____. Section 8.54, subsection 5, paragraph b, Code
4 2026, is amended to read as follows:

5 b. (1) For fiscal years in which it is anticipated that
6 moneys will be transferred from the taxpayer relief fund to
7 the general fund of the state in accordance with section
8 8.57E, subsection 2, paragraph "b", the original state general
9 fund expenditure limitation amount provided for in subsection
10 3 shall not be readjusted to include the amount of moneys
11 anticipated to be so transferred. This paragraph subparagraph
12 is repealed July 1, 2029 2027.

13 (2) For the fiscal year beginning July 1, 2027, and each
14 fiscal year thereafter, in which it is anticipated that moneys
15 will be transferred from the taxpayer relief fund to the
16 general fund of the state in accordance with section 8.57E,
17 subsection 2, paragraph "b", the original state general fund
18 expenditure limitation amount provided for in subsection 3
19 shall be readjusted to include the amount of moneys anticipated
20 to be so transferred.

21 (3) This paragraph is repealed July 1, 2029.

22 Sec. _____. Section 8.57E, subsection 2, paragraph b, Code
23 2026, is amended by adding the following new subparagraph:

24 NEW SUBPARAGRAPH. (02) For the fiscal year beginning
25 July 1, 2027, and each fiscal year thereafter, the transfer
26 pursuant to this paragraph shall not exceed the difference
27 between the lower revenue estimate determined at the state
28 revenue estimating conference meeting occurring prior to
29 December 15 and the meeting occurring in March, for the fiscal
30 year beginning the following July 1, and the net general fund
31 appropriation for that fiscal year.>

32 2. Page 7, line 17, by striking <296,200,000> and inserting
33 <347,013,889>

34 3. Page 8, line 6, by striking <70,300,000> and inserting
35 <89,000,000>

H-8234 (Continued)

- 1 4. Page 8, by striking lines 14 through 19.
- 2 5. Title page, line 6, by striking <applicability,>
- 3 6. By renumbering as necessary.

By LUNDGREN of Dubuque

H-8234 FILED MARCH 18, 2026

SENATE FILE 378

H-8231

1 Amend Senate File 378, as passed by the Senate, as follows:

2 1. Page 1, before line 1 by inserting:

3 <Section 1. Section 321.210, subsection 2, paragraph d,
4 Code 2026, is amended to read as follows:

5 *d.* The first two speeding violations within any twelve-month
6 period ~~of that are ten or fewer~~ miles per hour ~~or less~~ over the
7 legal speed limit in a speed zones having zone with a legal
8 speed limit between ~~thirty-four~~ thirty-nine miles per hour and
9 ~~fifty-six~~ sixty-one miles per hour.

10 Sec. _____. Section 321.210C, subsection 3, Code 2026, is
11 amended to read as follows:

12 3. For purposes of determining a conviction under this
13 section, the department shall not consider the first two
14 speeding violations within the probation period that are ten
15 or fewer miles per hour ~~or less~~ over the legal speed limit in
16 a speed zones having zone with a legal speed limit between
17 ~~thirty-four~~ thirty-nine miles per hour and ~~fifty-six~~ sixty-one
18 miles per hour.>

19 2. Page 1, line 1, by striking <2025> and inserting <2026>

20 3. Page 1, after line 5 by inserting:

21 <Sec. _____. Section 321A.3, subsection 4, Code 2026, is
22 amended to read as follows:

23 4. The abstract of operating record provided under this
24 section ~~shall that includes a speeding violation must~~ designate
25 which speeding violations occurring whether the violation was
26 ten or fewer miles per hour over the speed limit and under any
27 of the following circumstances:

28 a. The violation occurred on or after July 1, 1986, but
29 before May 12, 1987, ~~are for violations of ten miles per hour~~
30 ~~or less over the legal speed limit in a speed zones that have~~
31 zone with a legal speed limit greater than thirty-five miles
32 per hour. For speeding violations occurring

33 b. The violation occurred on or after May 12, 1987, ~~the~~
34 ~~abstract provided under this section shall designate which~~
35 ~~speeding violations are for ten miles per hour or less over the~~

1 ~~legal speed limit but before July 1, 2026, in a speed zones~~
2 ~~that have zone with a legal speed limit equal to or greater~~
3 ~~than thirty-five between thirty-four miles per hour but not~~
4 ~~greater than fifty-five and fifty-six miles per hour.~~

5 c. The violation occurred on or after July 1, 2026, in a
6 speed zone with a speed limit between thirty-nine miles per
7 hour and sixty-one miles per hour.

8 Sec. _____. Section 516B.3, subsection 1, Code 2026, is
9 amended to read as follows:

10 1. ~~The commissioner shall require that insurance companies~~
11 An insurance company transacting business in this state shall
12 not consider the first two speeding violations occurring
13 that occur in any twelve-month period for the purpose of
14 establishing rates for motor vehicle insurance charged by the
15 insurer or to cancel or refuse to renew any such policy if the
16 speeding violations were ten or fewer miles per hour over the
17 speed limit and under any of the following circumstances:

18 a. The speeding violations occurred on or after July
19 1, 1986, but before May 12, 1987, which are for speeding
20 violations for ten miles per hour or less over the legal speed
21 limit in a speed zones that have zone with a legal speed limit
22 greater than thirty-five miles per hour or speeding violations
23 occurring.

24 b. The speeding violations occurred on or after May 12,
25 1987, which are for speeding violations for ten miles per hour
26 or less over the legal speed limit but before July 1, 2026, in a
27 speed zones that have zone with a legal speed limit equal to or
28 greater than thirty-five between thirty-four miles per hour but
29 not greater than fifty-five and fifty-six miles per hour for
30 the purpose of establishing rates for motor vehicle insurance
31 charged by the insurer and shall require that insurance
32 companies not cancel or refuse to renew any such policy for
33 such violations. In any twelve-month period, this section
34 applies only to the first two such violations which occur.

35 c. The speeding violations occurred on or after July 1,

H-8231 (Continued)

1 2026, in a speed zone with a speed limit between thirty-nine
2 miles per hour and sixty-one miles per hour.>

3 4. Title page, line 1, after <to> by inserting <speed
4 limits, including the speed limit range for which certain
5 excessive speed violations cannot be considered for certain
6 purposes and>

7 5. By renumbering as necessary.

By COMMITTEE ON TRANSPORTATION
JONES of Clay, Chairperson

[H-8231](#) FILED MARCH 18, 2026

SENATE FILE 2187

H-8230

- 1 Amend Senate File 2187, as passed by the Senate, as follows:
- 2 1. Page 1, after line 17 by inserting:
- 3 <Sec. ____ . APPLICABILITY. This Act applies on and after
- 4 March 1, 2027, or the date the department of transportation
- 5 submits to the Iowa administrative code editor for publication
- 6 in the Iowa administrative bulletin a statement by the director
- 7 of transportation that the applicable phase of the department
- 8 of transportation's new records system is implemented,
- 9 whichever is earlier. The department shall also forward a copy
- 10 of the statement to the Iowa Code editor.>
- 11 2. Title page, line 3, by striking <card.> and inserting
- 12 <card, and including applicability provisions.>
- 13 3. By renumbering as necessary.

By COMMITTEE ON TRANSPORTATION
JONES of Clay, Chairperson

H-8230 FILED MARCH 18, 2026

SENATE FILE 2453

H-8232

1 Amend Senate File 2453, as amended, passed, and reprinted by
2 the Senate, as follows:

3 1. By striking page 1, line 32, through page 2, line 6, and
4 inserting:

5 <1. "Endowment assets" means foundation-managed endowments.

6 2. "Innovation fund" means the same as defined in section
7 15E.52.

8 3. "Institution" means a regents institution specified in
9 section 262.7, subsections 1 through 3.>

10 2. Page 2, line 8, by striking <institution> and inserting
11 <foundation-managed endowment>

12 3. Page 2, by striking line 13 and inserting <other
13 expressions of donor intent that are contrary to such>

14 4. Page 2, line 17, by striking <An institution> and
15 inserting <A foundation>

16 5. Page 2, line 24, by striking <An institution> and
17 inserting <A foundation>

18 6. Page 2, line 29, after <1.> by inserting <If the
19 percentage of allocation falls below the amount required by
20 subsection 1 after that date, the foundation shall increase its
21 investment in one or more innovation funds as provided in this
22 chapter as necessary in order to meet the required percentage
23 of allocation.>

24 7. By striking page 2, line 33, through page 3, line 14, and
25 inserting:

26 <Sec. ____ . NEW SECTION. 262C.4 Waiver.

27 A foundation board may grant an institution a one-year
28 waiver from the requirements of this chapter if adequate
29 innovation fund capacity is not available or market conditions
30 would materially impair prudent investment. A foundation may
31 grant an institution more than one waiver under this section.>

32 8. Page 3, line 17, by striking <board> and inserting <state
33 board of regents>

34 9. Page 3, by striking lines 21 through 24.

35 10. Page 3, line 25, before <board> by inserting <state>

H-8232 (Continued)

1 11. Page 4, lines 4 and 5, by striking <an institution> and
2 inserting <a foundation>

3 12. Page 4, line 6, by striking <the board> and inserting
4 <each foundation>

5 13. Page 4, by striking lines 17 and 18 and inserting:
6 <Sec. ____ . EFFECTIVE DATE. This Act takes effect December
7 31, 2026.>

8 14. By renumbering as necessary.

By COLLINS of Des Moines

[H-8232](#) FILED MARCH 18, 2026



Fiscal Note

Fiscal Services Division



[SF 2376](#) – Contractor Bond Requirements (LSB2245SZ)
Staff Contact: Xavier Leonard (515.725.0509) xavier.leonard@legis.iowa.gov
Fiscal Note Version – As amended and passed by the Senate

Description

[Senate File 2376](#) relates to bonds and letters of credit for general contractors and subcontractors and does the following:

- Requires general contractors and subcontractors that engage in the business of construction in the State to obtain and maintain an annual performance bond or irrevocable letter of credit in the amount of \$50,000 filed with and payable to the State.
- Authorizes the State or a political subdivision to enforce the requirements of the Bill in connection with private construction work within its jurisdiction and to bring an action on the bond or letter of credit in the name of the State for the use and benefit of a private person or political subdivision harmed by the failure to perform contractual obligations or for other violations.
- Authorizes political subdivisions to require a contractor or subcontractor to obtain or file a bond, letter of credit, or other financial security only for private construction work that is performed in a public-right-of-way.

This Bill does not apply to a general contractor or subcontractor performing work for the State or a political subdivision, including work subject to the requirements of Iowa Code chapter [8A](#), subchapter III.

Background

Under current law, in-state general contractors and subcontractors that engage in the business of construction in the State are not required to obtain and maintain an annual performance bond or irrevocable letter of credit with the State. Out-of-state contractors are required to hold a surety bond in the amount of \$25,000.

According to the Department of Inspections, Appeals, and Licensing (DIAL), there are approximately 19,900 in-state contractors and 816 out-of-state contractors, for a total of approximately 20,716 contractors.

Assumptions

- The DIAL will not need to make any changes to its current licensing system.
- According to the DIAL, the Administrative Licensing and Inspection Governance Network (ALIGN) system, which is currently being built, will require additional functionality that is not currently planned for. The DIAL estimates that these changes will cost approximately \$10,000.
- According to the DIAL, entering the annual performance bonds and irrevocable letters of credit into the ALIGN system will require 2.5 Administrative Support Assistant 3 full-time equivalent (FTE) positions at an annual cost of \$55,000 each. The 2.5 Administrative Support Assistant 3 FTE positions will cost approximately \$138,000 annually.
- According to the DIAL, it is estimated that 10.0% of in-state contractors will go through an investigation, hearing, or revocation process.

- According to the DIAL, it is estimated that the investigation, hearing, and revocation process work will require 8.0 Investigator 2 FTE positions.
- Each Investigator 2 FTE position will cost approximately \$73,000 annually. The 8.0 Investigator 2 FTE positions will cost \$586,000 annually.
- No additional revenue will be generated as a result of this Bill.
- The funding source will be the Licensing and Regulation Fund (LRF).

Fiscal Impact

Senate File 2376 is estimated to increase costs in FY 2027 to the Licensing and Regulation Fund by approximately \$734,000 for 10.5 additional FTE positions and a one-time programming cost of \$10,000 to the ALIGN system. The costs for FY 2028 and thereafter will be approximately \$724,000 annually.

Source

Department of Inspections, Appeals, and Licensing

/s/ Jennifer Acton

March 18, 2026

Doc ID 1602502

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



Fiscal Note

Fiscal Services Division



[SF 2404](#) – Special Schools, Pilot Program (LSB5556SV.1)
Staff Contact: Lora Vargason (515.725.1286) lora.vargason@legis.iowa.gov
Fiscal Note Version – As amended and passed by the Senate

Description

[Senate File 2404](#) requires the Department of Education (DE) to develop and administer a pilot program for a rural district and an urban district to establish attendance centers to be used to provide educational services to eligible students. The Bill includes definitions for an eligible student, rural school district, and urban school district. The Bill provides for school district participation requirements and funds the pilot program through moneys appropriated by the General Assembly to the DE. The rural school district and urban school district will be required to submit an annual report to the DE by June 1 of each year, and the DE is required to compile and submit these reports to the General Assembly by June 30 of each year. The pilot program is repealed July 1, 2031.

Background

The [Therapeutic Classroom Incentive Grant Program](#) currently receives a \$2.4 million appropriation annually in the Education Appropriations Act with additional claims-based pupil funding provided through a standing appropriation for [Therapeutic Classroom Services](#).

The DE oversees the current Therapeutic Classroom Grant Program and released a [2025 Therapeutic Classroom Report](#) detailing the history of the annually awarded grants.

The Bill proposes a pilot program that may be similar to the Therapeutic Classroom Incentive Grant Program but is associated with a different funding source and is not administered as a competitive grant program. There are currently 13 urban school districts and 1 rural school district that would meet the definitions of “urban school district” and “rural school district” in the Bill.

Assumptions

- One rural school district, which will be the only rural school district to meet the requirements of the Bill, will participate in the pilot program.
- One of 13 urban school districts will be chosen to participate in the pilot program.
- The DE will have minimal additional administrative costs to meet the requirements of the Bill.

Fiscal Impact

Senate File 2404 will require annual expenditures of \$165,000 by a rural district and between \$1.0 million and \$4.4 million by an urban district to fund the pilot program. The program will be funded through an appropriation to the DE.

Sources

Department of Education
Iowa Association of School Boards

/s/ Jennifer Acton

March 18, 2026

Doc ID 1603152

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



Fiscal Note

Fiscal Services Division



[SF 2422](#) – Public Assistance, Verification and Eligibility (LSB6779SV.1)
Staff Contact: Louie Hoehle (515.281.6561) louie.hoehle@legis.iowa.gov
Fiscal Note Version – As amended and passed by the Senate

Description

[Senate File 2422](#) modifies various public assistance programs under the Department of Health and Human Services (HHS). The Bill takes effect upon enactment.

The Bill is comprised of six divisions, three of which have a fiscal impact and three of which do not.

The following divisions of the Bill have no fiscal impact:

- Division II — Supplemental Nutrition Assistance Program
- Division III — Medicaid — Managed Care
- Division VI — Effective Date

The following divisions of the Bill have a fiscal impact and are described in further detail below:

- Division I — Public Assistance Programs — Eligibility and Reporting
- Division IV — Medicaid and Iowa Health and Wellness Plan — Retroactive Eligibility and Reporting
- Division V — Medicaid Waivers and State Plan Amendments — Cost Neutrality

Division I — Public Assistance Programs — Eligibility and Reporting

Description

Division I of the Bill requires the HHS to use the Systematic Alien Verification for Entitlements (SAVE) online service maintained by the U.S. Department of Homeland Security (DHS) to verify immigration and citizenship information when determining eligibility for public assistance programs.

Background

The HHS is currently required to access information maintained by the U.S. Citizenship and Immigration Services (USCIS) of the DHS when determining eligibility for public assistance programs.

The [SAVE](#) system is an online service for registered federal, State, territorial, tribal, and local government agencies to verify the immigration and citizenship status of applicants seeking benefits or licenses, administered by the USCIS of the DHS. A user agency is charged a monthly service charge of \$25 for each month in which the user agency submits at least one SAVE case. As of April 1, 2025, non-federal user agencies are not charged a fee for each case run through SAVE.

Assumptions

- The HHS will require 2.0 new Compliance Officer 2 full-time equivalent (FTE) positions to ensure SAVE is appropriately applied and to conduct audits.
- Each Compliance Officer 2 FTE position will cost approximately \$125,000 annually for salary and benefits.
- Each new FTE position will require support costs of \$4,000 in FY 2027 and \$2,000 in FY 2028.
- The State and the federal government will each pay 50.0% of costs for the Compliance Officer 2 positions.

Fiscal Impact

Division I of the Bill is estimated to require 2.0 additional FTE positions and cost approximately \$258,000 in FY 2027 and \$254,000 in FY 2028. The State cost is estimated to be approximately \$129,000 in FY 2027 and \$127,000 in FY 2028.

Division IV — Medicaid and Iowa Health and Wellness Plan — Retroactive Eligibility and Reporting

Description

Division IV relates to Medicaid retroactive eligibility and does the following:

- Requires the HHS to adopt administrative rules and submit a Medicaid waiver to the Centers for Medicare and Medicaid Services (CMS) to allow for two months of retroactive eligibility for pregnant women, children, and residents of certain nursing facilities who apply for Medicaid.
- Prohibits the HHS from adopting administrative rules or submitting a request for a waiver or State plan amendment to the CMS to provide retroactive eligibility to any other adult applying for Medicaid or the Iowa Health and Wellness Plan (IHAWP).

Background

Federal law currently allows states to provide up to three months of retroactive eligibility for Medicaid. The [One Big Beautiful Bill Act \(OBBBA\)](#) reduces the retroactive eligibility period from three months to two months for traditional Medicaid and from three months to one month for Medicaid expansion, which, in Iowa, is IHAWP. The OBBBA changes are scheduled to take effect January 1, 2027.

Retroactive eligibility in Iowa is currently available to pregnant women, infants, and residents of certain nursing facilities. Traditional Medicaid members may receive up to three months of retroactive eligibility. Iowa does not provide retroactive eligibility to IHAWP members.

Assumptions

- The State will receive federal approval for the retroactive coverage changes.
- The retroactive coverage changes will become effective January 1, 2027.
- Approximately 3,100 individuals may lose one month of retroactive coverage annually.
- The average annual cost per member for retroactive coverage is approximately \$596.
- The HHS will require one-time information technology (IT) costs of \$225,000 for the HHS's eligibility system to implement the retroactive coverage changes.
- The Department of Management Division of IT (DOM DoIT) will require one-time IT costs of \$63,000.
- The State will pay 25.3% of IT costs, while the federal government will pay 74.66%.

Fiscal Impact

Division IV of the Bill may reduce net costs by \$628,000 in FY 2027, of which the estimated State savings is \$265,000 and the federal savings is \$364,000. The total estimated savings for FY 2028 is \$1.8 million, of which the estimated State savings is \$672,000 and the federal savings is \$1.2 million.

Division V — Medicaid Waivers and State Plan Amendments — Cost Neutrality

Description

Division V of the Bill relates to Medicaid waivers and state plan amendments (SPAs) and does the following:

- Requires the HHS to conduct an analysis to determine whether certain requests for Medicaid waivers or SPAs are cost neutral prior to submitting the request to CMS.
- Requires the HHS to present the request to the General Assembly, for approval by both houses of the General Assembly, if the waiver or SPA is determined to not be cost neutral.
- Requires the HHS to conduct an analysis to determine the cost neutrality of all waivers, and to submit an annual report, by October 1, detailing the analysis.
- Provides that the cost neutrality requirements do not apply to a modification of a SPA that is required due to federal law or regulation.

Background

[Section 1115 waivers](#) allow states to temporarily modify their Medicaid programs and evaluate specific policy approaches.

[State plan amendments](#) are the process in which states can make permanent changes to their Medicaid programs.

Assumptions

- The Medicaid waiver cost neutrality analysis will require 6.0 new FTE positions, which will cost the following annual amounts for salary and benefits:
 - 1.0 Compliance Officer 2 FTE position at \$125,000.
 - 2.0 Management Analyst 3 FTE positions at \$114,000 each.
 - 2.0 Budget Analyst 3 FTE positions at \$114,000 each.
 - 1.0 Budget Analyst 4 FTE position at \$125,000.
- Each new FTE position will require support costs of \$4,000 in FY 2027 and \$2,000 in FY 2028.
- The State and the federal government will each pay 50.0% of costs for the cost neutrality FTE positions.
- The HHS will require increased annual actuarial services for the Medicaid waiver cost neutrality analysis.
- The State and the federal government will each pay 50.0% of costs for actuarial services.

Fiscal Impact

Division V of the Bill is estimated to require 6.0 additional FTE positions and cost approximately \$1.2 million in FY 2027 and FY 2028. The State cost is estimated to be approximately \$615,000 in FY 2027 and \$608,000 in FY 2028.

Fiscal Impact Summary

Senate File 2422 is estimated to have a net cost of \$859,000 and 8.0 FTE positions in FY 2027, of which the State cost is \$479,000 and the federal cost is \$380,000. For FY 2028, SF 2422 is estimated to have a net savings of \$363,000 and require 8.0 FTE positions. The State is estimated to have a cost of \$63,000 and the federal government is estimated to have a savings of \$426,000 in FY 2028. **Figure 1** shows the breakout of costs in FY 2027. **Figure 2** shows the breakout of costs in FY 2028.

Figure 1 — Senate File 2422 Estimated Costs for FY 2027

Division	Category	State	Federal	Total
I	SAVE FTE Positions	\$ 125,000	\$ 125,000	\$ 250,000
I	FTE Support Costs	4,000	4,000	8,000
IV	Retroactive Coverage Changes	-338,000	-579,000	-916,000
IV	Eligibility System	57,000	168,000	225,000
IV	DOM DoIT IT	16,000	47,000	63,000
V	Cost Neutrality FTE Positions	353,000	353,000	705,000
V	FTE Support Costs	12,000	12,000	24,000
V	Cost Neutrality Actuarial Services	250,000	250,000	500,000
Total		\$ 479,000	\$ 380,000	\$ 859,000

Totals may not sum due to rounding.

Figure 2 — Senate File 2422 Estimated Costs for FY 2028

Division	Category	State	Federal	Total
I	SAVE FTE Positions	\$ 125,000	\$ 125,000	\$ 250,000
I	FTE Support Costs	2,000	2,000	4,000
IV	Retroactive Coverage Changes	-672,000	-1,161,000	-1,833,000
V	Cost Neutrality FTE Positions	353,000	353,000	705,000
V	FTE Support Costs	5,000	5,000	11,000
V	Cost Neutrality Actuarial Services	250,000	250,000	500,000
Total		\$ 63,000	\$ -426,000	\$ -363,000

Totals may not sum due to rounding.

Sources

Department of Health and Human Services

Department of Management Division of Information Technology

/s/ Jennifer Acton

March 18, 2026

Doc ID 1602562

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



[HF 2646](#) – State Procurement Requirements, Foreign Agents, and State Sovereignty (LSB6918HV)
Staff Contact: Joey Lovan (515.242.5925) joey.lovan@legis.iowa.gov
Fiscal Note Version – New

Description

[House File 2646](#) relates to certain activities associated with foreign entities in the State, and provides penalties. The Bill is organized into three divisions, Division III — State Sovereignty has no fiscal impact.

The following divisions of the Bill have fiscal impacts described in further detail in this **Fiscal Note**:

- Division I — Drones — Security and Procurement
- Division II — Foreign Agents — Registration

Division I — Drones — Security and Procurement

Description

Division I of the Bill prohibits the State, or a political subdivision of the State, from purchasing, leasing, or operating a remotely piloted aircraft, as defined in Iowa Code section [715E.1](#), that is manufactured by a company listed in the Covered List developed pursuant to [47 C.F.R. §1.50002](#) and published by the Public Safety and Homeland Security Bureau (PSHSB) of the Federal Communications Commission (FCC).

This Division creates an offense in which a person who knowingly controls a remotely piloted aircraft that was manufactured outside the United States, within 400 feet of a power plant, water treatment facility, or National Guard facility is committing aggravated intrusion and is guilty of a Class D felony.

This Division requires that any State entity and political subdivision that owns, leases, or operates a remotely piloted aircraft to develop a plan to replace all remotely piloted aircrafts that were manufactured outside the United States in accordance with 47 C.F.R. §1.50002.

This Division requires the Chief Information Officer (CIO) of the Department of Management (DOM) to conduct an audit of the transmission protocols used by remotely piloted aircrafts to ensure compliance with the secure-by-design standard of the Cybersecurity and Infrastructure Security Agency (CISA) with respect to data encryption and server localization.

Background

A Class D felony is punishable by confinement for no more than five years and a fine of at least \$1,025 but not more than \$10,245.

Iowa Code section 715E.1 defines “remotely piloted aircraft” as a self-propelled vehicle used for navigation and flight that is controlled by the use of an electronic system and is not designed to carry a human.

Assumptions

- The DPS would be required to replace its existing platform of remotely piloted aircraft.
- Exact costs for the DPS to replace its fleet of aircraft cannot be determined until a request for proposal (RFP) can be issued.
- The DPS estimates an increase in annual vendor costs of approximately \$100,000 for Software as a Service (SaaS) cloud-based services updates.
- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay (LOS); revocation rates; plea bargaining; and other criminal justice system policies and practices.
- County jail data is unavailable. For purposes of this analysis, the marginal cost for county jails is assumed to be \$50 per day.
- Conviction data reflects the total number of convictions in adult court, which may include multiple convictions per individual. Not all convictions lead to incarceration, and there may be a delay between conviction and prison admission, which can contribute to differences in totals.
- A six-month delay is assumed from the effective date of the Bill to the date the first offender will enter the correctional system.
- Offender-based convictions are a count of individuals convicted of the same offense. Each offender is counted only once per Iowa Code section, regardless of the number of individual convictions.
- Admissions are a count of individuals newly admitted to the Department of Corrections (DOC) for supervision during a selected time period, based on the most serious offense committed.

Correctional Impact

This Division of the Bill creates a new offense, and the correctional impact of the Bill cannot be determined because the number of new convictions cannot be estimated. **Figure 1** shows estimates for sentencing to State prison, parole, probation, or Community-Based Corrections (CBC) residential facilities; LOS in months under those supervisions; and supervision marginal costs per day for a Class D felony.

Figure 1 — Sentencing Estimates and LOS in Months

Conviction Offense Class	Percent Ordered to State Prison	FY 2025 Avg LOS in Prison (All Releases)	Marginal Cost Per Day Prison	Percent Ordered to Probation	FY 2025 Field Avg LOS on Probation	Avg Cost Per Day Probation	Marginal Cost Per Day CBC	Marginal Cost Per Day Jail	FY 2025 Field Avg LOS on Parole	Marginal Cost Per Day Parole
D Felony Non-Persons	84.2%	12.5	\$23.07	69.4%	41.4	\$8.00	\$16.35	\$50.00	15.5	\$8.00

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

Minority Impact

House File 2646 creates the new offense, and, as a result, the minority impact of the Bill cannot be determined because the number of new convictions cannot be estimated. Refer to the LSA memo addressed to the General Assembly, [Minority Impact Statements](#), dated January 12, 2026, for information related to minorities in the criminal justice system.

Fiscal Impact

House File 2646 creates the new offense, and the number of new convictions cannot be estimated. The average State cost per Class D felony is between \$13,000 and \$18,100. The estimated impact to the General Fund includes operating costs incurred by the Judicial Branch, the Indigent Defense Fund, and the DOC. The costs would be incurred across multiple fiscal years for prison and parole supervision.

The DPS reports that a fiscal impact of replacing remotely piloted aircraft cannot be determined until an RFP can be issued. The DPS estimates an increase in annual vendor costs of approximately \$100,000 for SaaS cloud-based service updates.

Division II — Foreign Agents — Registration

Description

Division II of the Bill requires a foreign principal or agent of a foreign principal to register with the Iowa Ethics and Campaign Disclosure Board (IECDB) within 48 hours after engaging in lobbying or political consulting in Iowa. A foreign principal or agent of a foreign principal that engages in lobbying or political consulting is required to file with the IECDB a copy of each contract, compensation schedule, and communication log related to foreign-funded influence operations related to legislators or Executive Branch agencies in Iowa. The Foreign Agents Registration Act of 1938, as amended by [22 U.S.C. §611](#) et seq., does not satisfy the requirements of registering as a foreign principal or agent of a foreign principal.

This Division also directs the IECDB to impose a civil penalty of \$100 per day, up to a maximum of \$5,000 per violation, on a person who fails to register as a foreign principal or agent of a foreign principal.

Background

Pursuant to Iowa Code section [68B.34](#), any person who knowingly and intentionally violates the provisions of this Division is guilty of a serious misdemeanor and may be reprimanded, suspended, or dismissed from the person's position or otherwise sanctioned. A serious misdemeanor is punishable by confinement for no more than one year and a fine of at least \$430 but not more than \$2,560.

Assumptions

- The required filings pursuant to this Division of the Bill will be filed using the IECDB's Web Reporting System (WRS).
- The IECDB estimates a cost of between \$35,000 and \$50,000 for system enhancements to the WRS.
- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner LOS; revocation rates; plea bargaining; and other criminal justice system policies and practices.
- County jail data is unavailable. For purposes of this analysis, the marginal cost for county jails is assumed to be \$50 per day.
- Conviction data reflects the total number of convictions in adult court, which may include multiple convictions per individual. Not all convictions lead to incarceration, and there may be a delay between conviction and prison admission, which can contribute to differences in totals.
- A six-month delay is assumed from the effective date of the Bill to the date the first offender will enter the correctional system.
- Offender-based convictions are a count of individuals convicted of the same offense. Each offender is counted only once per Iowa Code section, regardless of the number of individual convictions.

- Admissions are a count of individuals newly admitted to the DOC for supervision during a selected time period, based on the most serious offense committed.

Correctional Impact

This Division of the Bill creates a new offense, and the correctional impact of the Bill cannot be determined because the number of new convictions cannot be estimated. **Figure 2** shows estimates for sentencing to State prison, parole, probation, or CBC residential facilities; LOS in months under those supervisions; and supervision marginal costs per day for a serious misdemeanor.

Figure 2 — Sentencing Estimates and LOS in Months

Conviction Offense Class	Percent Ordered to State Prison	FY 2025 Avg LOS in Prison (All Releases)	Marginal Cost Per Day Prison	Percent Ordered to Probation	FY 2025 Field Avg LOS on Probation	Avg Cost Per Day Probation	Marginal Cost Per Day CBC	Marginal Cost Per Day Jail	FY 2025 Field Avg LOS on Parole	Marginal Cost Per Day Parole
Serious Misdemeanor	2.3%	7.3	\$23.07	44.8%	21.0	\$8.00	\$16.35	\$50.00	N/A	\$8.00

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

Minority Impact

House File 2646 creates a new offense under Iowa Code section 68B.34. The minority impact cannot be determined because the number of new convictions cannot be estimated. Refer to the LSA memo addressed to the General Assembly, [Minority Impact Statements](#), dated January 12, 2026, for information related to minorities in the criminal justice system.

Fiscal Impact

House File 2646 creates a new offense under Iowa Code section 68B.34, and the number of new convictions cannot be estimated. The average State cost per serious misdemeanor is between \$350 and \$6,200. The estimated impact to the General Fund includes operating costs incurred by the Judicial Branch, the Indigent Defense Fund, and the DOC. The costs would be incurred across multiple fiscal years for prison and parole supervision.

The IECDDB estimates a cost of between \$35,000 and \$50,000 for system enhancements to the WRS.

Fiscal Impact Summary

Under **Division I**, the DPS estimates an increase in annual vendor costs of approximately \$100,000 for SaaS cloud-based service updates. Under **Division II**, the IECDDB estimates a cost of between \$35,000 and \$50,000 for system enhancements to the WRS.

Sources

- Division of Data, Planning, and Improvement (DPI), Department of Management (DOM)
- Department of Corrections
- Iowa Ethics and Campaign Disclosure Board
- Department of Public Safety
- Department of Public Defense

/s/ Jennifer Acton

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