

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

May 1, 2026

Clip Sheet Summary

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

Bill	Amendment	Action	Sponsor
HF 1003	H-8459	Filed	RECEIVED FROM THE SENATE
HF 2617	H-8460	Filed	RECEIVED FROM THE SENATE
HF 2769	H-8454	Filed	WESSEL-KROESCHELL of Story
HF 2771	H-8455	Filed	MOMMSEN of Clinton
HF 2771	H-8464	Filed	LEVIN of Johnson
HF 2782	H-8461	Filed	A. MEYER of Webster
HF 2782	H-8465	Filed	BAETH of Polk
HF 2782	H-8466	Filed	WESSEL-KROESCHELL of Story
HF 2794	H-8457	Filed	LOHSE of Polk
HF 2795	H-8458	Filed	WILZ of Wapello
SF 639	H-8456	Filed	THOMSON of Floyd
SF 2168	H-8453	Filed	RECEIVED FROM THE SENATE
SF 2284	H-8452	Filed	RECEIVED FROM THE SENATE

[SF 2456](#) [H-8463](#) Filed
[SF 2465](#) [H-8462](#) Filed

FISHER of Tama
COMMITTEE ON
WAYS AND
MEANS, et al

Fiscal Notes

[SF 2168](#) — [Reemployment Case Management and Unemployment Insurance Processing](#) (LSB5501SV)

SENATE AMENDMENT TO
HOUSE FILE 1003

H-8459

- 1 Amend House File 1003, as passed by the House, as follows:
- 2 1. Page 1, by striking lines 1 through 16.
- 3 2. Page 1, line 18, by striking <2025> and inserting <2026>
- 4 3. By renumbering as necessary.

H-8459 FILED MAY 1, 2026

SENATE AMENDMENT TO
HOUSE FILE 2617

H-8460

1 Amend House File 2617, as amended, passed, and reprinted by
2 the House, as follows:

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

5 <Section 1. Section 321.89, Code 2026, is amended by adding
6 the following new subsection:

7 NEW SUBSECTION. 2A. *Cease and release.* When a private
8 entity ceases a tow after attaching towing equipment to an
9 abandoned vehicle and releases the vehicle to the registered
10 owner or operator prior to removing the vehicle from the
11 location where the vehicle was abandoned, the private entity
12 shall accept payment by credit card, in addition to other forms
13 of payment, for any fee charged to release the vehicle.

14 Sec. 2. Section 321.89, subsection 3, paragraphs a, e, and
15 f, Code 2026, are amended to read as follows:

16 a. A police authority or private entity that takes into
17 custody an abandoned vehicle shall send notice by certified
18 mail that the vehicle has been taken into custody no more than
19 ~~twenty~~ ten days after taking custody of the vehicle. Notice
20 shall be sent to the last known address of record of the last
21 known registered owner of the vehicle, all lienholders of
22 record, and any other known claimant to the vehicle.

23 e. If the persons receiving notice do not ask for a hearing
24 or exercise their right to reclaim the vehicle or personal
25 property within the ~~ten-day~~ twenty-day reclaiming period, the
26 owner, lienholders, or claimants shall no longer have any
27 right, title, claim, or interest in or to the vehicle or the
28 personal property.

29 f. A court in any case in law or equity shall not recognize
30 any right, title, claim, or interest of the owner, lienholders,
31 or claimants after the expiration of the ~~ten-day~~ twenty-day
32 reclaiming period.

33 Sec. 3. Section 321.89, subsection 3, paragraph b,
34 subparagraph (3), Code 2026, is amended to read as follows:

35 (3) Information for the persons receiving the notice of

1 their right to reclaim the vehicle and personal property
2 contained therein within ~~ten~~ twenty days after the effective
3 date of the notice. Persons may reclaim the vehicle ~~or~~
4 ~~personal property~~ upon payment of all towing, preservation, and
5 storage charges resulting from placing the vehicle in custody
6 and upon payment of the costs of notice required pursuant to
7 this subsection.

8 Sec. 4. Section 321.89, Code 2026, is amended by adding the
9 following new subsections:

10 NEW SUBSECTION. 3A. *Abandoned vehicles in custody.*

11 a. A lienholder of record who received notice under
12 subsection 3 may request information regarding the condition
13 of the abandoned vehicle. A private entity with custody of
14 an abandoned vehicle may charge the lienholder of record an
15 inspection fee not to exceed one hundred dollars. If such
16 request is made and when the fee is paid, the private entity
17 with custody of the abandoned vehicle shall satisfy the
18 request by either allowing a representative of the lienholder
19 of record onto the premises to inspect the vehicle, subject
20 to policies established by the private entity to promote
21 safety and security of the premises, or by sending photos
22 that sufficiently depict the condition of the vehicle to the
23 lienholder of record so that the lienholder can reasonably
24 ascertain the condition of the vehicle.

25 b. (1) While a private entity has custody of an abandoned
26 vehicle, a registered owner may reclaim personal property that
27 is not attached to the vehicle on one occasion during the
28 twenty-day vehicle reclamation period. The registered owner
29 shall provide the private entity a written list identifying
30 the personal property to be reclaimed from inside the vehicle,
31 which shall be reclaimed during the normal business hours of
32 the private entity. Reclaiming personal property from within
33 the vehicle does not constitute reclaiming the vehicle. A
34 private entity may determine the manner in which personal
35 property is retrieved from a vehicle subject to safety and

1 security procedures established by the private entity for
2 the area where the vehicle is stored. Retrieval of personal
3 property does not constitute a waiver of the private entity's
4 lien upon the vehicle or any remaining contents in the private
5 entity's custody, if applicable.

6 (2) For purposes of this paragraph, "*personal property*" is
7 limited to items that are readily accessible from the vehicle
8 and that do not require dismantling of any part of the vehicle,
9 including all of the following:

10 (a) Prescription medication for the vehicle owner or for a
11 legal dependent of the vehicle owner.

12 (b) Prosthetic devices, durable medical equipment, and
13 mobility enhancing equipment as defined under 701 IAC 220.7.

14 (c) Child care items.

15 (d) Uniforms or clothing required for the vehicle owner's
16 employment.

17 (e) Personal identification.

18 (f) Credit cards or debit cards.

19 (g) A cellular telephone.

20 (h) A portable or mobile computer including but not limited
21 to a tablet.

22 (i) Tools of trade which are essential equipment,
23 instruments, or machinery required to perform a specific job,
24 profession, or craft in which the vehicle owner is currently
25 employed.

26 (j) A purse or wallet.

27 (k) Essential documents or records relating to legal,
28 financial, tax, or employment matters.

29 (l) Prescription eyeglasses.

30 (m) Hearing aids.

31 (n) Dentures.

32 (o) Keys not associated with the vehicle in the custody of
33 the private entity.

34 NEW SUBSECTION. 3B. *Display of charges.* A private entity
35 that takes custody of an abandoned vehicle shall display at the

1 entity's place of business in a manner that is readily visible
2 to visitors and on the entity's internet site, if applicable,
3 the daily storage and impound fees the entity will charge.

4 NEW SUBSECTION. 6. *Preemption.* This section shall be
5 implemented uniformly throughout the state. This section
6 preempts any county or municipal ordinance regarding the towing
7 of an abandoned vehicle.

8 Sec. 5. Section 321.89, subsection 4, Code 2026, is amended
9 to read as follows:

10 4. *Reclamation of abandoned vehicles.* A private entity
11 with custody of an abandoned vehicle shall provide an itemized
12 account of all fees assessed to the registered owner when
13 the registered owner reclaims the vehicle. Prior to driving
14 an abandoned vehicle away from the premises, ~~a person who~~
15 ~~received or who is reclaiming the vehicle on behalf of a person~~
16 ~~who received notice under subsection 3~~ the registered owner
17 shall present to the police authority or private entity, as
18 applicable, the person's valid driver's license and proof of
19 financial liability coverage as provided in section 321.20B.

20 Sec. 6. Section 321.90, subsection 2, paragraph f, Code
21 2026, is amended to read as follows:

22 f. The If notice was provided in accordance with section
23 321.89, subsection 3, and an abandoned motor vehicle was not
24 reclaimed, the owner of an abandoned motor vehicle and all
25 lienholders shall no longer have any right, title, claim, or
26 interest in or to the motor vehicle; and no court in any case
27 in law or equity shall recognize any right, title, claim, or
28 interest of any owner or lienholders after the disposal of the
29 motor vehicle to a demolisher.>

HOUSE FILE 2769

H-8454

1 Amend the amendment, H-8449, to House File 2769, as follows:

2 1. Page 1, before line 4 by inserting:

3 <<DIVISION ____
4 FY 2026-2027 APPROPRIATIONS>

5 2. Page 4, line 21, after <this> by inserting <division of
6 this>

7 3. Page 5, lines 24 and 25, by striking <by 2025 Iowa Acts,
8 chapter 158, section 6,> and inserting <pursuant to section
9 602.1401>

10 4. Page 6, after line 6 by inserting:

11 <DIVISION ____
12 JUDICIAL RETIREMENT SYSTEM>

13 5. Page 6, after line 29 by inserting:

14 <DIVISION ____
15 JUDICIAL BRANCH SALARIES

16 Sec. ____ . Section 602.1401, subsections 1 and 5, Code 2026,
17 are amended to read as follows:

18 1. The supreme court shall establish, and may amend, a
19 personnel system and a pay and benefits plan for judicial
20 officers, the state court administrator, and court employees.
21 The personnel system shall include a designation by position
22 title, classification, and function of each position or class
23 of positions within the judicial branch. Reasonable efforts
24 shall be made to accommodate the individual staffing and
25 management practices of the respective clerks of the district
26 court. The personnel system, in the employment of court
27 employees, shall not discriminate on the basis of race, creed,
28 color, sex, national origin, religion, physical disability, or
29 political party preference. The supreme court, in establishing
30 the personnel system, shall implement the comparable worth
31 directives issued by the state court administrator under
32 section 602.1204, subsection 2. The personnel system
33 shall include the prohibitions against sexual harassment of
34 full-time, part-time, and temporary employees set out in
35 section 19B.12, and shall include a grievance procedure for

1 discriminatory harassment. The personnel system shall develop
2 and distribute at the time of hiring or orientation, a guide
3 that describes ~~for employees~~ the applicable sexual harassment
4 prohibitions and grievance, violation, and disposition
5 procedures. This subsection does not supersede the remedies
6 provided under chapter 216.

7 5. The pay and benefits plan shall set the compensation and
8 benefits of judicial officers, the state court administrator,
9 and court employees within the funds appropriated by the
10 general assembly.

11 Sec. _____. Section 602.1502, subsection 1, Code 2026, is
12 amended by striking the subsection.

13 Sec. _____. Section 602.6808, subsection 1, if enacted by
14 2026 Iowa Acts, Senate File 639, section 8, is amended to read
15 as follows:

16 1. A judge of the business court shall receive the annual
17 salary set for a district judge under section ~~602.1501~~
18 602.1401.

19 Sec. _____. Section 602.9104, subsection 1, paragraph a, Code
20 2026, is amended to read as follows:

21 a. A judge to whom this article applies shall be paid an
22 amount equal to the basic salary of the judge as set ~~by the~~
23 general assembly pursuant to section 602.1401 reduced by an
24 amount designated as the judge's required contribution to the
25 judicial retirement fund. The amount designated as the judge's
26 required contribution shall be paid by the state in the manner
27 provided in subsection 2.

28 Sec. _____. Section 602.9204, subsection 1, paragraph a, Code
29 2026, is amended to read as follows:

30 a. A judge who retires on or after July 1, 1994, and who
31 is appointed a senior judge under section 602.9203 shall be
32 paid a salary as determined ~~by the general assembly~~ pursuant to
33 section 602.1401.

34 Sec. _____. Section 602.9303, subsection 1, if enacted by 2026
35 Iowa Acts, House File 2706, section 30, is amended to read as

H-8454 (Continued)

1 follows:

2 1. A magistrate who retires on or after the effective date
3 of this division of this Act, and who is appointed a senior
4 magistrate under section 602.9302, shall be paid a salary
5 as determined ~~by the general assembly~~ pursuant to section
6 602.1401.

7 Sec. _____. REPEAL. 2026 Iowa Acts, House File 2706, sections
8 35, 36, and 37, if enacted, are repealed.

9 Sec. _____. REPEAL. Section 602.1501, Code 2026, is repealed.

10 Sec. _____. JUDICIAL OFFICERS — CURRENT SALARY RATES
11 SUPERSEDED. For purposes of 2025 Iowa Acts, chapter 158,
12 section 6, subsection 1, this division of this Act shall be
13 deemed as the provision of salary rates for judicial officers
14 by the general assembly for fiscal years subsequent to the
15 fiscal year beginning July 1, 2025.

16 Sec. _____. JUDICIAL OFFICER SALARY INCREASE. It is the
17 intent of the general assembly that the judicial branch
18 increase the salaries for judicial officers by four and
19 three-tenths percent for the fiscal year beginning July 1,
20 2026, and ending June 30, 2027.

21 Sec. _____. EFFECTIVE DATE. This division of this Act takes
22 effect June 19, 2026.>

23 _____. Title page, line 2, after <branch> by inserting <, and
24 including effective date provisions>>

25 6. By renumbering as necessary.

By WESSEL-KROESCHELL of Story

H-8454 FILED MAY 1, 2026

HOUSE FILE 2771

H-8455

1 Amend the amendment, H-8404, to House File 2771, as follows:

2 1. Page 23, after line 18 by inserting:

3 <DIVISION ____

4 WATER QUALITY FUNDING

5 Sec. ____ . REBUILD IOWA INFRASTRUCTURE FUND — SPECIAL
6 APPROPRIATIONS. There is appropriated from the rebuild Iowa
7 infrastructure fund created in section 8.57 to the Iowa finance
8 authority for the fiscal year beginning July 1, 2026, and
9 ending June 30, 2027, the following amounts, or so much thereof
10 as is necessary, to be used for the purposes designated:

11 1. a. For deposit in the water quality financial assistance
12 fund created in section 16.134A for the purposes of supporting
13 the wastewater and drinking water treatment financial
14 assistance program created in section 16.134:

15 \$ 8,000,000

16 b. The moneys appropriated in paragraph "a" shall be used to
17 provide financial assistance, including grants, for projects
18 designed to improve water quality by addressing point and
19 nonpoint sources, with a higher prioritization provided to
20 collaborative effort.

21 2. For deposit in the rural Iowa infrastructure bank program
22 fund created in section 16.240, as enacted in this division of
23 this Act:

24 \$ 10,000,000

25 Sec. ____ . Section 16.134, subsection 4, paragraph i, Code
26 2026, is amended to read as follows:

27 *i.* An applicant shall not receive a grant that exceeds ~~five~~
28 ~~hundred thousand~~ one million dollars.

29 Sec. ____ . Section 16.134A, subsection 3, Code 2026, is
30 amended to read as follows:

31 3. ~~For~~ Except for moneys deposited in the fund for
32 a specified purpose, for each fiscal year in the period
33 beginning July 1, 2018 2026, and ending June 30, 2039, there
34 is appropriated the following ~~percentages of~~ amounts from the
35 balance of the fund for all of the following purposes:

1 ~~a. Forty percent to the Iowa finance authority to support~~
2 ~~the wastewater and drinking water treatment financial~~
3 ~~assistance program created in section 16.134~~ Five hundred
4 thousand dollars to the department of natural resources for
5 the purposes of water quality monitoring, including, at the
6 department's discretion, continuous monitoring.

7 ~~b. Forty-five percent to the Iowa finance authority to be~~
8 ~~credited to the water quality financing program fund created~~
9 ~~pursuant to section 16.153.~~ The following percentages of moneys
10 remaining in the fund for the following purposes:

11 (1) Sixty-five percent to the Iowa finance authority to
12 support the wastewater and drinking water treatment financial
13 assistance program created in section 16.134.

14 ~~e.~~ (2) Fifteen percent to the division of soil conservation
15 and water quality of the department of agriculture and land
16 stewardship to support the water quality urban infrastructure
17 program created in section 466B.44.

18 (3) Twenty percent to the division of soil conservation
19 and water quality of the department of agriculture and land
20 stewardship for deposit in the water quality initiative fund
21 created in section 466B.45 to provide technical assistance
22 and support conservation practices, including but not limited
23 to buffers, cover crops, edge-of-field structures, grazing
24 systems, and working lands, in counties located in the
25 following United States geological survey hydrologic unit code
26 8 watersheds:

27 (a) Boone.

28 (b) East fork Des Moines.

29 (c) Middle Des Moines.

30 (d) North Raccoon.

31 (e) South Raccoon.

32 (f) Upper Des Moines.

33 Sec. ____. Section 16.152, Code 2026, is amended by adding
34 the following new subsections:

35 NEW SUBSECTION. 5. The authority shall not initiate any

1 new loans under this part after June 30, 2026. Any loan or
2 interest payments received by the authority on or after July
3 1, 2026, shall be deposited in the water quality financial
4 assistance fund created pursuant to section 16.134A for the
5 purposes of supporting the wastewater and drinking water
6 treatment financial assistance program created in section
7 16.134.

8 NEW SUBSECTION. 6. For the fiscal year beginning July 1,
9 2026, and ending June 30, 2027, the authority shall allocate
10 a sum not to exceed twenty-five million dollars from any
11 unencumbered or unobligated moneys in the water quality
12 financing program fund to a regional water authority, with
13 membership consisting of public utilities, as defined in
14 section 476.1, rural water districts organized and existing
15 under chapter 357A, and other governmental entities, which
16 serves a population of at least six hundred thousand and
17 is headquartered in the most populous county in the state
18 based on the 2020 federal decennial census, for the purpose
19 of constructing and installing additional nutrient removal
20 technology. These moneys shall remain available for
21 expenditure until June 30, 2029.

22 NEW SUBSECTION. 7. Any unencumbered or unobligated moneys
23 in the water quality financing program fund created pursuant to
24 section 16.153 remaining after July 31, 2026, are transferred
25 to the water quality financial assistance fund created pursuant
26 to section 16.134A, to be used for purposes specified in
27 section 16.134A, subsection 3, paragraph "b", subparagraph
28 (3). An amount equal to the amount of moneys obligated by the
29 authority prior to July 1, 2026, shall remain in the water
30 quality financing program fund.

31 NEW SUBSECTION. 8. This part is repealed on the date that
32 all loans made pursuant to this part are paid in full. The
33 authority shall notify the Iowa Code editor of this occurrence.

34 Sec. ____ . NEW SECTION. 16.240 Rural Iowa infrastructure
35 bank revolving loan program — fund.

1 1. As used in this section, "*small or medium sized*
2 *community*" means a city with a population of eleven thousand or
3 less.

4 2. The authority shall establish and administer a rural
5 Iowa infrastructure bank revolving loan program. The purpose
6 of the program is to provide loans to small or medium sized
7 communities to upgrade water or wastewater infrastructure.

8 3. a. A small or medium size community shall apply to the
9 authority for a loan under the program in a manner approved by
10 the authority.

11 b. Loan agreements may contain terms and conditions the
12 authority deems advisable, but the interest rate on any loan
13 shall not exceed one percent.

14 4. A rural Iowa infrastructure bank program fund is created
15 in the state treasury under the control of the authority and
16 consisting of moneys appropriated by the general assembly and
17 any other moneys available to and obtained or accepted by the
18 authority for placement in the fund. Moneys in the fund are
19 appropriated to the authority for the purpose of providing
20 loans to small or medium sized communities under the program
21 established in this section. Repayments of moneys loaned and
22 recaptures of loans shall be deposited in the fund. Moneys
23 in the fund are not subject to section 8.33. Notwithstanding
24 section 12C.7, interest or earnings on moneys in the fund shall
25 be credited to the fund.

26 5. The authority may adopt rules pursuant to chapter 17A to
27 administer this section.

28 Sec. ____ . CODE EDITOR DIRECTIVE. The Code editor is
29 directed to designate section 16.240, as enacted by this
30 division of this Act, as chapter 16, subchapter X, part
31 12, entitled "Rural Iowa Infrastructure Bank Revolving Loan
32 Program".>>

33 2. By renumbering as necessary.

By MOMMSEN of Clinton

H-8455 (Continued)

H-8455 FILED MAY 1, 2026

HOUSE FILE 2771

H-8464

- 1 Amend the amendment, H-8404, to House File 2771, as follows:
- 2 1. Page 13, line 35, after <1.> by inserting <a.>
- 3 2. Page 14, lines 6 and 7, by striking <designated, in the
- 4 following order of priority> and inserting <designated>
- 5 3. Page 14, by striking lines 8 through 11.
- 6 4. Page 14, line 12, by striking < b. (1)>
- 7 5. Page 14, line 16, by striking <(2)> and inserting <b.>
- 8 6. Page 14, line 16, by striking <paragraph> and inserting
- 9 <subsection>
- 10 7. Page 14, after line 28 by inserting:
- 11 <Sec. ____ . Section 455E.11, Code 2026, is amended by adding
- 12 the following new subsection:
- 13 NEW SUBSECTION. 3. There is appropriated from the
- 14 groundwater protection fund to the state university of Iowa for
- 15 the fiscal year beginning July 1, 2026, and for each fiscal
- 16 year thereafter, six hundred thousand dollars to support the
- 17 Iowa water quality information system as administered by the
- 18 IIHR — hydroscience and engineering within the college of
- 19 engineering of the state university of Iowa.>
- 20 8. By renumbering as necessary.

By LEVIN of Johnson

H-8464 FILED MAY 1, 2026

HOUSE FILE 2782

H-8461

1 Amend House File 2782 as follows:

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

4 <DIVISION I

5 DEPARTMENT OF VETERANS AFFAIRS — FY 2026-2027

6 Section 1. DEPARTMENT OF VETERANS AFFAIRS. There is
7 appropriated from the general fund of the state to the
8 department of veterans affairs for the fiscal year beginning
9 July 1, 2026, and ending June 30, 2027, the following amounts,
10 or so much thereof as is necessary, to be used for the purposes
11 designated:

12 1. DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATION

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

16	\$	1,369,205
17	FTEs	15.00

18 2. IOWA VETERANS HOME

19 For salaries, support, maintenance, and miscellaneous
20 purposes:

21 \$ 8,145,736

22 a. The Iowa veterans home billings involving the department
23 of health and human services shall be submitted to the
24 department on at least a monthly basis.

25 b. The Iowa veterans home expenditure report shall be
26 submitted monthly to the general assembly.

27 3. HOME OWNERSHIP ASSISTANCE PROGRAM

28 For transfer to the Iowa finance authority for the
29 continuation of the home ownership assistance program for
30 persons who are or were eligible members of the armed forces
31 of the United States or eligible service members pursuant to
32 section 16.54:

33 \$ 2,200,000

34 DIVISION II

35 AGING AND DISABILITY SERVICES — FY 2026-2027

1 Sec. 2. DEPARTMENT OF HEALTH AND HUMAN SERVICES — AGING
2 AND DISABILITY SERVICES. There is appropriated from the
3 general fund of the state to the department of health and human
4 services for the fiscal year beginning July 1, 2026, and ending
5 June 30, 2027, the following amount, or so much thereof as is
6 necessary, to be used for the purposes designated:

7 For aging programs for the department of health and human
8 services and area agencies on aging to provide citizens of
9 Iowa who are 60 years of age and older with case management;
10 for Iowa's aging and disabilities resource centers; for the
11 return to community program; for the purposes of chapter 231E;
12 to administer the prevention of elder abuse, neglect, and
13 exploitation program pursuant to section 231.56A, in accordance
14 with the requirements of the federal Older Americans Act of
15 1965, 42 U.S.C. §3001 et seq., as amended; for the operation
16 of the dependent adult abuse services program pursuant to
17 chapter 235B; for matching funding for programs to enable
18 persons with severe physical or mental disabilities to function
19 more independently; for costs associated with centers for
20 independent living; and for other services which may include
21 but are not limited to adult day care, respite care, chore,
22 information and assistance, and material aid; for information
23 and options counseling for persons with disabilities; and
24 for salaries, support, administration, maintenance, and
25 miscellaneous purposes, and for not more than the following
26 full-time equivalent positions:

27 \$ 19,379,531
28 FTEs 101.00

29 1. Moneys appropriated in this section may be used to
30 supplement federal moneys received under federal regulations.
31 To receive moneys appropriated in this section, a local area
32 agency on aging shall match the moneys with moneys from other
33 sources according to rules adopted by the department. Moneys
34 appropriated in this section may be used for services not
35 specifically enumerated in this section only if approved by the

1 department as part of an area agency on aging's area plan.

2 2. Of the moneys appropriated in this section, \$949,282
3 is allocated to be used for the comprehensive family support
4 program created in section 231.80 as enacted under this Act.

5 3. Of the moneys appropriated in this section, \$33,632
6 is allocated to be used to build community capacity through
7 the coordination and provision of training opportunities in
8 accordance with the consent decree of Conner v. Branstad, No.
9 4-86-CV-30871 (S.D. Iowa, July 15, 1994).

10

DIVISION III

11

BEHAVIORAL HEALTH — FY 2026-2027

12

Sec. 3. DEPARTMENT OF HEALTH AND HUMAN SERVICES —

13

BEHAVIORAL HEALTH. There is appropriated from the general fund
14 of the state to the department of health and human services for
15 the fiscal year beginning July 1, 2026, and ending June 30,
16 2027, the following amount, or so much thereof as is necessary,
17 to be used for the purposes designated:

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equivalent positions:

1 \$ 23,127,121

2 FTEs 70.00

3 1. Of the moneys appropriated in this section, \$300,000
4 is allocated to support the work of the children’s behavioral
5 health system including evidence-based behavioral health
6 prevention, treatment, and recovery services and supports for
7 children and their families.

8 2. Of the moneys appropriated in this section, \$950,000
9 is allocated for an integrated substance use disorder managed
10 care system. The department shall maintain the level of mental
11 health and substance use disorder treatment services provided
12 by the managed care contractors, and shall take the steps
13 necessary to continue the federal waivers as needed to maintain
14 the level of services.

15 Sec. 4. DEPARTMENT OF HEALTH AND HUMAN SERVICES — SPORTS
16 WAGERING RECEIPTS FUND. There is appropriated from the
17 sports wagering receipts fund created in section 8.57I, to the
18 department of health and human services for the fiscal year
19 beginning July 1, 2026, and ending June 30, 2027, the following
20 amount, or so much thereof as is necessary, to be used for
21 behavioral health prevention, education, early intervention,
22 treatment, recovery support, and crisis services in order to
23 support statewide access to treatment for behavioral health
24 conditions; stabilization and mitigation of behavioral health
25 crises; and recovery for individuals and families impacted by
26 behavioral health conditions:

27 \$ 1,750,000

28 DIVISION IV

29 PUBLIC HEALTH — FY 2026-2027

30 Sec. 5. DEPARTMENT OF HEALTH AND HUMAN SERVICES — PUBLIC
31 HEALTH. There is appropriated from the general fund of the
32 state to the department of health and human services for the
33 fiscal year beginning July 1, 2026, and ending June 30, 2027,
34 the following amount, or so much thereof as is necessary, to be
35 used for the purposes designated:

H-8461 (Continued)

1 For programs that support health promotion, protect the
2 health and safety of the public, conduct disease surveillance
3 and investigation to reduce the incidence of morbidity and
4 mortality, serve individuals with chronic conditions including
5 but not limited to cancer, support the Iowa donor registry as
6 specified in section 142C.18, and strengthen the health care
7 delivery system and workforce to improve health outcomes for
8 all Iowans, and for not more than the following full-time
9 equivalent positions:

10 \$ 21,168,369
11 FTEs 348.60

12 1. Of the moneys appropriated in this section, \$191,000
13 is allocated to the university of Iowa hospitals and clinics
14 to administer a child vision screening program through
15 continuation of an existing contract. The program shall submit
16 a report to the department regarding the use of funds allocated
17 under this subsection. The report shall include the objectives
18 and results for the program year including the target
19 population and how the funds allocated assisted the program in
20 meeting the objectives; the number, age, and location within
21 the state of individuals served; the type of services provided
22 to the individuals served; the distribution of moneys based on
23 the services provided; and the continuing needs of the program.

24 2. Of the moneys appropriated in this section, \$144,000 is
25 allocated for the public purpose of allowing the department
26 to continue an existing contract with an existing affiliated
27 organization to provide education, client-centered programs,
28 and client and family support, for people living with epilepsy
29 and their families. The moneys allocated in excess of \$50,000
30 shall be matched dollar for dollar by the existing affiliated
31 organization. Moneys under this section shall be distributed
32 in their entirety on July 1, 2026, for the purpose specified.

33 3. Of the moneys appropriated in this section, the following
34 amounts are allocated to the department of health and human
35 services to be used as follows to support the goals of

1 increased access, health system integration, and engagement:

2 a. \$600,000 for distribution to a nonprofit organization
3 that established the first statewide drug donation repository
4 for continuation of the pharmaceutical infrastructure for
5 safety net providers established as described in 2007 Iowa
6 Acts, chapter 218, section 108, and for the prescription drug
7 donation repository program established in chapter 135M.

8 Moneys under this paragraph shall be distributed in their
9 entirety on July 1, 2026, for the purpose specified.

10 b. \$374,000 for distribution to free clinics, as defined in
11 section 135.24, and a nonprofit organization that facilitates
12 the initiation, operation, and collaboration of free clinics
13 for necessary infrastructure, statewide coordination, provider
14 recruitment, service delivery, and provision of assistance to
15 patients in securing a medical home inclusive of oral health
16 care. Of the moneys allocated, \$40,000 shall be used to lower
17 fees associated with using an electronic prescribing system.
18 Moneys under this paragraph shall be distributed in their
19 entirety on July 1, 2026, for the purpose specified.

20 c. \$25,000 for distribution to an organization that raises
21 awareness about issues related to rural health clinics for
22 necessary infrastructure and service delivery transformation.
23 Moneys under this paragraph shall be distributed in their
24 entirety on July 1, 2026, for the purpose specified.

25 4. Of the moneys appropriated in this section, \$400,000
26 is allocated for rural psychiatric residencies for residents
27 selected on or before June 30, 2026.

28 5. Of the moneys appropriated in this section, \$20,000 is
29 allocated to make radon test kits available, free of charge,
30 to homeowners and renters in the state. The department shall
31 provide a link on the department's internet site for homeowners
32 and renters in the state to order radon test kits.

33 6. Of the moneys appropriated in this section, \$1,500,000 is
34 allocated for awarding grants for medical residency programs in
35 the state that meet the following criteria:

1 a. The medical residency program is not related to the
2 practice of family medicine.

3 b. The medical residency program is not located in a county
4 that has a population of one hundred fifty thousand or more
5 based on the most recent federal decennial census, and in which
6 the main campus of an institution of higher learning governed
7 by the state board of regents is located.

8 7. The university of Iowa hospitals and clinics under
9 the control of the state board of regents shall not receive
10 indirect costs from the moneys appropriated in this section.
11 The university of Iowa hospitals and clinics billings to the
12 department shall be, at a minimum, on a quarterly basis.

13 DIVISION V

14 COMMUNITY ACCESS AND ELIGIBILITY — CHILD SUPPORT SERVICES —
15 TANF — FY 2026-2027

16 Sec. 6. DEPARTMENT OF HEALTH AND HUMAN SERVICES — COMMUNITY
17 ACCESS AND ELIGIBILITY. There is appropriated from the
18 general fund of the state to the department of health and human
19 services for the fiscal year beginning July 1, 2026, and ending
20 June 30, 2027, the following amount, or so much thereof as is
21 necessary, to be used for the purposes designated:

22 To be used for salaries, support, maintenance, and
23 miscellaneous purposes and for family investment program (FIP)
24 assistance in accordance with chapter 239B, and for other costs
25 associated with providing needs-based benefits or assistance
26 including but not limited to maternal and child health, oral
27 health, obesity prevention, the promoting independence and
28 self-sufficiency through employment, job opportunities and the
29 basic skills (PROMISE JOBS) program, supplemental nutrition
30 assistance program (SNAP) employment and training, the FIP
31 diversion program, family planning, rent reimbursement,
32 and eligibility determinations for medical assistance, food
33 assistance, and the children's health insurance program, and
34 for not more than the following full-time equivalent positions:
35 \$ 76,371,516

1 FTEs 883.90

2 1. Of the child support collections assigned under FIP,
3 the federal share of the child support collections shall be
4 credited to the child support services appropriation made in
5 this division of this Act. Of the remainder of the child
6 support collections assigned under FIP, a portion shall be
7 credited to community access and eligibility, and the remaining
8 moneys may be used to increase recoveries, to sustain cash flow
9 in the collection services center refund account as provided in
10 section 252B.13A, or for technology needs. If child support
11 collections assigned under FIP are greater than estimated or
12 are otherwise determined not to be required for maintenance of
13 efforts, the state share of either amount is appropriated to
14 the department for child support services as described in this
15 division of this Act, or may be transferred to or retained in
16 the collection services center refund account.

17 2. Of the moneys appropriated in this section, \$3,075,000 is
18 allocated for continuation of the department's initiative to
19 provide for adequate developmental surveillance and screening
20 during a child's first five years. The moneys shall first be
21 used to fully fund the current participating counties to ensure
22 that those counties are fully operational, with the remaining
23 moneys to be used for expanding participation to additional
24 counties. Full implementation and expansion shall include
25 enhancing the scope of the initiative through collaboration
26 with child health specialty clinics to promote the use of
27 developmental surveillance and screening to support healthy
28 child development through early identification and response to
29 biomedical and social determinants of healthy development by
30 providing practitioner consultation and continuous improvement
31 through training and education, particularly for children
32 with behavioral conditions and needs. The department shall
33 also collaborate with the Medicaid program and child health
34 specialty clinics to assist in coordinating the activities
35 of the first five initiative into the establishment of

1 patient-centered medical homes developed to improve health
2 quality and population health while reducing health care costs.
3 To the maximum extent possible, moneys allocated in this
4 subsection shall be utilized as matching moneys for Medicaid
5 program reimbursement.

6 3. Of the moneys appropriated in this section, \$1,145,102 is
7 allocated to the Iowa commission on volunteer service created
8 in section 15H.2 for programs and grants.

9 4. The university of Iowa hospitals and clinics under
10 the control of the state board of regents shall not receive
11 indirect costs from the moneys appropriated in this section.
12 The university of Iowa hospitals and clinics billings to the
13 department shall be, at a minimum, on a quarterly basis.

14 Sec. 7. DEPARTMENT OF HEALTH AND HUMAN SERVICES — CHILD
15 SUPPORT SERVICES. There is appropriated from the general fund
16 of the state to the department of health and human services for
17 the fiscal year beginning July 1, 2026, and ending June 30,
18 2027, the following amount, or so much thereof as is necessary,
19 to be used for the purposes designated:

20 For child support services, including salaries, support,
21 maintenance, and miscellaneous purposes, and for not more than
22 the following full-time equivalent positions:

23	\$ 15,644,114
24	FTEs 464.00

25 1. Federal access and visitation grant moneys shall be used
26 for services designed to increase compliance with the child
27 access provisions of court orders, including but not limited to
28 neutral visitation sites and mediation services.

29 2. Moneys appropriated in this section may be used
30 throughout the fiscal year in the manner necessary for
31 cash flow management. For cash flow management under this
32 subsection, the department may temporarily draw more than the
33 amount appropriated provided the amount appropriated is not
34 exceeded at the close of the fiscal year.

35 Sec. 8. DEPARTMENT OF HEALTH AND HUMAN SERVICES —

1 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT. There is
2 appropriated from the special fund created in section 8.41 to
3 the department of health and human services for the fiscal year
4 beginning July 1, 2026, and ending June 30, 2027, from moneys
5 received under the federal temporary assistance for needy
6 families (TANF) block grant pursuant to the federal Personal
7 Responsibility and Work Opportunity Reconciliation Act of 1996,
8 Pub. L. No. 104-193, and successor legislation, including TANF
9 block grant moneys received in any prior fiscal year that
10 were deposited in the special fund and remain unencumbered
11 or unobligated on June 30, 2026, the following amounts, or
12 so much thereof as is necessary, to be used for the purposes
13 designated:

14 1. For community access and eligibility:
15 \$ 12,566,312

16 2. For community access and eligibility to provide
17 pregnancy prevention grants on the condition that family
18 planning services are funded:
19 \$ 1,913,203

20 Pregnancy prevention grants shall be awarded to programs
21 in existence on or before July 1, 2026, if the programs have
22 demonstrated positive outcomes. Grants shall be awarded
23 to pregnancy prevention programs developed after July 1,
24 2026, if the programs are based on existing models that have
25 demonstrated positive outcomes. Grants must comply with the
26 requirements provided in 1997 Iowa Acts, chapter 208, section
27 14, subsections 1 and 2, including the requirement that a
28 program awarded a grant must emphasize sexual abstinence.
29 Priority in awarding grants shall be given to programs
30 that serve areas of the state which demonstrate the highest
31 percentage of unplanned pregnancies of females of childbearing
32 age within the geographic area to be served by the grant.

33 3. To meet one of the four purposes of TANF as specified
34 in 45 C.F.R. §260.20, including by modernizing the program
35 to promote economic mobility and self-sufficiency, ensuring

1 that families are able to overcome benefit cliffs, encouraging
2 healthy families, and streamlining service delivery to reduce
3 duplication:

4 \$ 25,000,000

5 4. For early intervention and supports for child abuse
6 prevention and the family development and self-sufficiency
7 (FaDSS) grant program in accordance with section 216A.107:

8 \$ 3,013,980

9 5. For accountability, compliance, program integrity,
10 technology needs, and other resources necessary to meet
11 federal and state reporting, tracking, and case management
12 requirements, and other departmental needs:

13 \$ 3,533,647

14 6. For state child care assistance:

15 \$ 42,281,826

16 7. For child protective services:

17 \$ 65,364,100

18 DIVISION VI

19 MEDICAL ASSISTANCE PROGRAM — STATE SUPPLEMENTARY ASSISTANCE —
20 HEALTHY AND WELL KIDS IN IOWA PROGRAM AND OTHER HEALTH-RELATED
21 PROGRAMS — FY 2026-2027

22 Sec. 9. DEPARTMENT OF HEALTH AND HUMAN SERVICES — MEDICAL
23 ASSISTANCE PROGRAM, STATE SUPPLEMENTARY ASSISTANCE, AND HEALTHY
24 AND WELL KIDS IN IOWA PROGRAM. There is appropriated from the
25 general fund of the state to the department of health and human
26 services for the fiscal year beginning July 1, 2026, and ending
27 June 30, 2027, the following amount, or so much thereof as is
28 necessary, to be used for the purposes designated:

29 For medical assistance program reimbursement and associated
30 costs as specifically provided in the reimbursement
31 methodologies in effect on June 30, 2026, except as otherwise
32 expressly authorized by law, consistent with options under
33 federal law and regulations, and contingent upon receipt of
34 approval from the office of the governor of reimbursement for
35 each abortion performed under the medical assistance program;

1 for the state supplementary assistance program; for the health
2 insurance premium payment program; and for maintenance of
3 the healthy and well kids in Iowa (Hawki) program pursuant
4 to chapter 514I, including supplemental dental services,
5 for receipt of federal financial participation under Tit.
6 XXI of the federal Social Security Act, which creates the
7 children's health insurance program; and for other specified
8 health-related programs:

9 \$ 1,992,550,706

10 1. Of the moneys appropriated in this section,
11 \$1,919,596,113 is allocated for medical assistance program
12 reimbursement and associated costs. Of the moneys allocated
13 in this subsection, \$3,383,880 shall be used for program
14 administration, outreach, and enrollment activities of the
15 state family planning services program pursuant to section
16 217.41B, and of this amount, the department may use \$200,000
17 for administrative expenses.

18 2. Iowans support reducing the number of abortions
19 performed in our state. Moneys appropriated under this section
20 shall not be used for abortions, unless otherwise authorized
21 under this section.

22 3. The provisions of this section relating to abortions
23 shall also apply to the Iowa health and wellness plan created
24 pursuant to chapter 249N.

25 4. Of the moneys appropriated in this section, \$4,479,762 is
26 allocated for the state supplementary assistance program.

27 5. Of the moneys appropriated in this section, \$68,474,831
28 is allocated for maintenance of the Hawki program pursuant
29 to chapter 514I, including supplemental dental services, for
30 receipt of federal financial participation under Tit. XXI of
31 the federal Social Security Act, which creates the children's
32 health insurance program.

33 Sec. 10. DEPARTMENT OF HEALTH AND HUMAN SERVICES — HEALTH
34 PROGRAM OPERATIONS. There is appropriated from the general
35 fund of the state to the department of health and human

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

4 For health program operations and the autism support program
5 under section 225D.2, and for not more than the following
6 full-time equivalent positions:

7	\$ 40,342,766
8	FTEs 97.00

9 1. The department of inspections, appeals, and licensing
10 shall provide all state matching moneys for survey and
11 certification activities performed by the department of
12 inspections, appeals, and licensing. The department of health
13 and human services shall be solely responsible for distributing
14 the federal matching moneys for such activities.

15 2. Of the moneys appropriated in this section, a sufficient
16 amount is allocated for the administration of the health
17 insurance premium payment program, including salaries, support,
18 maintenance, and miscellaneous purposes.

19 3. Of the moneys appropriated in this section, \$750,000 is
20 allocated for a nonprofit organization that provides access
21 to emergency poison information and treatment. Pursuant to
22 the directive under 2014 Iowa Acts, chapter 1140, section
23 102, the federal matching moneys available to the nonprofit
24 organization from the department under the federal Children's
25 Health Insurance Program Reauthorization Act of 2009 shall be
26 subject to the federal administrative cap rule of 10 percent
27 applicable to moneys provided under Tit. XXI of the federal
28 Social Security Act, and shall be included in the department's
29 calculations of the cap.

30 4. Unless otherwise provided by law, if a contract for
31 services provided under this section initially entered into
32 during the fiscal year beginning July 1, 2026, and ending
33 June 30, 2027, provides for an annual increase of the cost of
34 services provided under the contract, the annual increase shall
35 not exceed the amount by which the consumer price index for

1 all urban consumers increased during the immediately preceding
2 calendar year. This subsection does not affect a contract
3 entered into on or before June 30, 2026, that is for a term of
4 more than one year.

5 Sec. 11. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
6 PHARMACEUTICAL SETTLEMENT ACCOUNT. There is appropriated
7 from the pharmaceutical settlement account created in section
8 249A.33 to the department of health and human services for the
9 fiscal year beginning July 1, 2026, and ending June 30, 2027,
10 the following amount, or so much thereof as is necessary, to be
11 used for the purposes designated:

12 Notwithstanding any provision of law to the contrary, to
13 supplement the appropriation made in this Act from the general
14 fund of the state for health program operations under the
15 medical assistance program for the same fiscal year:

16 \$ 234,193

17 Sec. 12. DEPARTMENT OF HEALTH AND HUMAN SERVICES — QUALITY
18 ASSURANCE TRUST FUND.

19 1. Notwithstanding any provision of law to the contrary, and
20 subject to the availability of moneys, there is appropriated
21 from the quality assurance trust fund created in section 249L.4
22 to the department of health and human services for the fiscal
23 year beginning July 1, 2026, and ending June 30, 2027, the
24 following amount, or so much thereof as is necessary, for the
25 purposes designated:

26 To supplement the appropriation made in this Act from the
27 general fund of the state to the department of health and human
28 services for medical assistance for the same fiscal year:

29 \$111,216,205

30 2. Notwithstanding section 249L.4, subsection 2, after the
31 appropriation in subsection 1, any moneys remaining in the
32 quality assurance trust fund for the fiscal year beginning
33 July 1, 2026, and ending June 30, 2027, are appropriated to
34 the department of health and human services to supplement the
35 appropriation made in this Act from the general fund of the

1 state for the medical assistance program for the same fiscal
2 year.

3 Sec. 13. DEPARTMENT OF HEALTH AND HUMAN SERVICES — HOSPITAL
4 HEALTH CARE ACCESS TRUST FUND.

5 1. Notwithstanding any provision of law to the contrary, and
6 subject to the availability of moneys, there is appropriated
7 from the hospital health care access trust fund created in
8 section 249M.4, to the department of health and human services
9 for the fiscal year beginning July 1, 2026, and ending June 30,
10 2027, the following amount, or so much thereof as is necessary,
11 for the purposes designated:

12 To supplement the appropriation made in this Act from the
13 general fund of the state to the department of health and human
14 services for medical assistance for the same fiscal year:
15 \$ 33,920,554

16 2. Notwithstanding section 249M.4, subsection 2, after
17 the appropriation in subsection 1, any moneys remaining in
18 the hospital health care access trust fund for the fiscal
19 year beginning July 1, 2026, and ending June 30, 2027, are
20 appropriated to the department of health and human services to
21 supplement the appropriation made in this Act from the general
22 fund of the state for the medical assistance program for the
23 same fiscal year.

24 Sec. 14. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
25 BEHAVIORAL HEALTH FUND. Notwithstanding section 225A.7,
26 subsection 2, and subject to the availability of moneys, there
27 is appropriated from the behavioral health fund established in
28 section 225A.7, to the department of health and human services
29 for the fiscal year beginning July 1, 2026, and ending June 30,
30 2027, the following amount, or so much thereof as is necessary,
31 for the purposes designated:

32 To supplement the appropriation made in this Act from the
33 general fund of the state to the department of health and human
34 services for medical assistance for the fiscal year beginning
35 July 1, 2026, and ending June 30, 2027:

1 \$ 5,580,938

2 Sec. 15. REIMBURSEMENT RATES.

3 1. Reimbursement for medical assistance, state
4 supplementary assistance, and social service providers and
5 services reimbursed under the purview of the department of
6 health and human services shall remain at the reimbursement
7 rate in effect on June 30, 2026, or shall be determined
8 pursuant to the reimbursement methodology in effect on June 30,
9 2026, with the exception of the following:

10 a. If reimbursement is otherwise negotiated by contract or
11 pursuant to an updated fee schedule.

12 b. As otherwise provided in this section.

13 2. a. (1) Notwithstanding any provision of law to the
14 contrary, for the fiscal year beginning July 1, 2026, and
15 ending June 30, 2027, the department of health and human
16 services shall reimburse case-mix nursing facility rates based
17 on the methodology in effect on June 30, 2026.

18 (2) July 1, 2025, through December 31, 2025, the department
19 of health and human services shall calculate each nursing
20 facility's case-mix index for rates effective July 1, 2026.

21 (3) January 1, 2026, through June 30, 2026, the department
22 of health and human services shall calculate each nursing
23 facility's case-mix index for rates effective January 1, 2027.

24 (4) All nursing facility rate adjustments under this
25 paragraph shall be budget neutral.

26 b. For the fiscal year beginning July 1, 2026, \$1,167,867
27 shall be used to increase to the extent possible reimbursement
28 rates for ambulatory surgical centers compared to rates in
29 effect on June 30, 2026.

30 c. For the fiscal year beginning July 1, 2026, \$3,000,000
31 shall be used to increase to the extent possible, compared
32 with rates in effect on June 30, 2026, reimbursement rates for
33 providers of Medicaid home and community-based services waiver
34 services used most frequently by elderly waiver recipients
35 including attendant care, homemaker, and assisted living

1 services.

2 d. (1) Adjustments to Medicaid reimbursement rates
3 developed using cost reports shall be applied starting on the
4 effective date specified in the applicable rate letter issued
5 to a provider.

6 (2) Minimum Medicaid reimbursement rates for all provider
7 and service types shall be no lower than the reimbursement
8 rates established in the department's minimum fee schedule.

9 (3) Any increase in a Medicaid reimbursement rate specified
10 under this section shall be effective October 1, 2026.

11 DIVISION VII

12 FAMILY WELL-BEING AND PROTECTION — FY 2026-2027

13 Sec. 16. DEPARTMENT OF HEALTH AND HUMAN SERVICES — STATE
14 CHILD CARE ASSISTANCE. There is appropriated from the general
15 fund of the state to the department of health and human
16 services for the fiscal year beginning July 1, 2026, and ending
17 June 30, 2027, the following amount, or so much thereof as is
18 necessary, to be used for the purposes designated:

19 For state child care assistance in accordance with sections
20 237A.13 and 237A.14, and for not more than the following
21 full-time equivalent positions:

22	\$ 32,723,000
23	FTEs 53.00

24 1. If the appropriation made for purposes of the state child
25 care assistance program for the fiscal year is determined to
26 be insufficient, it is the intent of the general assembly to
27 appropriate sufficient moneys for the fiscal year to avoid
28 application of waiting list requirements.

29 2. A portion of the state match for the federal child care
30 and development block grant shall be provided as necessary to
31 meet federal matching moneys requirements through the state
32 general fund appropriation made for child development grants
33 and other programs for at-risk children in section 279.51.

34 Sec. 17. DEPARTMENT OF HEALTH AND HUMAN SERVICES — EARLY
35 INTERVENTION AND SUPPORTS. There is appropriated from the

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1 general fund of the state to the department of health and human
2 services for the fiscal year beginning July 1, 2026, and ending
3 June 30, 2027, the following amount, or so much thereof as is
4 necessary, to be used for the purposes designated:

5 For promotion of optimum health status for children and
6 adolescents from birth through 21 years of age, and for
7 families, and for not more than the following full-time
8 equivalent positions:

9 \$ 36,495,203
10 FTEs 28.00

11 1. Of the moneys appropriated in this section, not more than
12 \$734,000 is allocated for the healthy opportunities for parents
13 to experience success (HOPES) – healthy families Iowa (HFI)
14 program established pursuant to section 135.106.

15 2. Of the moneys appropriated in this section, \$4,313,854
16 is allocated for the FaDSS grant program, and not more
17 than 5 percent of the allocated moneys shall be used for
18 administration of the grant program.

19 3. Of the moneys appropriated in this section, \$29,256,799
20 shall be deposited in the early childhood Iowa fund created in
21 section 256I.11.

22 4. Of the moneys appropriated in this section, \$1,493,299 is
23 allocated for program administration and provision of pregnancy
24 support services through the more options for maternal support
25 program pursuant to section 217.41C.

26 Sec. 18. DEPARTMENT OF HEALTH AND HUMAN SERVICES — CHILD
27 PROTECTIVE SERVICES. There is appropriated from the general
28 fund of the state to the department of health and human
29 services for the fiscal year beginning July 1, 2026, and ending
30 June 30, 2027, the following amount, or so much thereof as is
31 necessary, to be used for the purposes designated:

32 For child, family, and adoption services, and for salaries,
33 support, maintenance, and miscellaneous purposes, and for not
34 more than the following full-time equivalent positions:

35 \$164,527,690

1 FTEs 977.00

2 1. Based on client need, a portion of the moneys
3 appropriated in this section may be used to provide other
4 resources required to support family preservation, emergency
5 client need, or family reunification efforts.

6 2. Of the moneys appropriated in this section, a sufficient
7 amount is allocated for foster family care, group foster care
8 maintenance and services, shelter care, child welfare emergency
9 services, qualified residential treatment programs, supervised
10 apartment living contracts, and for medical assistance program
11 reimbursement and associated costs.

12 3. Federal moneys received by the state during the fiscal
13 year beginning July 1, 2026, as the result of the expenditure
14 of state moneys appropriated during a previous state fiscal
15 year for a service or activity funded under this section,
16 are appropriated to the department to be used as additional
17 moneys for services and purposes provided under this section.
18 Notwithstanding section 8.33, moneys appropriated under this
19 subsection that remain unencumbered or unobligated at the close
20 of the fiscal year shall not revert but shall remain available
21 for the purposes designated until the close of the succeeding
22 fiscal year.

23 4. a. Of the moneys appropriated in this section, \$748,000
24 is allocated for the payment of the expenses of court-ordered
25 services provided to children who are under the supervision
26 of the department, which expenses are a charge upon the state
27 pursuant to section 232.141, subsection 4.

28 b. Notwithstanding chapter 232 or any other provision of
29 law to the contrary, a district or juvenile court shall not
30 order any service which is a charge upon the state pursuant to
31 section 232.141, subsection 4, if the moneys allocated under
32 paragraph "a" for court-ordered services are insufficient to
33 pay for the service.

34 5. Of the moneys appropriated in this section, \$4,359,500
35 is allocated for the preparation for adult living program

1 established pursuant to section 234.46.

2 6. Of the moneys appropriated in this section, a portion may
3 be used for family-centered services for purposes of complying
4 with the federal Family First Prevention Services Act of 2018,
5 Pub. L. No. 115-123, and successor legislation.

6 7. a. Of the moneys appropriated in this section,
7 \$38,414,178 is allocated for adoption subsidy payments and
8 related costs.

9 b. Any moneys remaining after the allocation under
10 paragraph "a" is designated and allocated as state savings
11 resulting from implementation of the federal Fostering
12 Connections to Success and Increasing Adoptions Act of 2008,
13 Pub. L. No. 110-351, and successor legislation, as determined
14 in accordance with 42 U.S.C. §673(a)(8), and shall be used for
15 post-adoption services and for other purposes allowed under
16 those federal Acts and regulations, and Tit. IV-B or Tit. IV-E
17 of the federal Social Security Act.

18 8. Of the moneys appropriated in this section, a sufficient
19 amount is allocated to support training needs for child welfare
20 providers and to address disproportionality within the child
21 welfare system.

22 9. Of the moneys appropriated in this subsection,
23 \$1,658,000 shall be allocated for child protection centers
24 located in Iowa pursuant to the child protection center grant
25 program under section 135.118. The grant amounts under the
26 program shall be equalized so that each center receives a
27 uniform base amount of \$245,000, and the remaining moneys
28 are awarded through a funding formula based upon the volume
29 of children served by a center. To increase access to child
30 protection center services for children in rural areas, the
31 funding formula for awarding the remaining moneys shall provide
32 for awarding an enhanced amount to eligible grantees to develop
33 and maintain satellite centers in underserved regions of the
34 state.

35 10. Of the moneys appropriated in this subsection, up to

1 \$227,000 shall be used for the public purpose of continuing a
2 grant to a nonprofit human services organization that provides
3 services to individuals and families in multiple locations in
4 southwest Iowa and Nebraska, for support of a project providing
5 immediate, sensitive support and forensic interviews, medical
6 exams, needs assessments, and referrals for victims of child
7 abuse and their nonoffending family members.

8 11. If a separate funding source is available that reduces
9 the need for state moneys within an allocation under this
10 section, the allocated state moneys may be redistributed to
11 other allocations under this section for the same fiscal year.

12 DIVISION VIII

13 STATE-OPERATED SPECIALTY CARE — FY 2026-2027

14 Sec. 19. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
15 STATE-OPERATED SPECIALTY CARE. There is appropriated from the
16 general fund of the state to the department of health and human
17 services for the fiscal year beginning July 1, 2026, and ending
18 June 30, 2027, the following amount, or so much thereof as is
19 necessary, to be used for the purposes designated:

20 For salaries, support, maintenance, and miscellaneous
21 purposes at institutions under the jurisdiction of the
22 department of health and human services, and for not more than
23 the following full-time equivalent positions:

24 \$100,225,768
25 FTEs 1,304.45

26 1. The department shall utilize the moneys appropriated in
27 this section as necessary to maximize bed capacity and to most
28 effectively meet the needs of the individuals served.

29 2. Of the moneys appropriated in this section, the following
30 amounts are allocated to each institution as follows:

31 a. For the state mental health institute at Cherokee:
32 \$ 19,878,962

33 b. For the state mental health institute at Independence:
34 \$ 23,760,205

35 c. For the civil commitment unit for sexual offenders at

H-8461 (Continued)

1 Cherokee:
2 \$ 23,272,111
3 d. For the state resource center at Woodward:
4 \$ 12,567,092
5 e. For the state training school at Eldora:
6 \$ 19,805,171
7 f. For outstanding obligations related to workers'
8 compensation, the sick leave insurance program, unemployment,
9 and other costs related to the closure of the state resource
10 center at Glenwood:
11 \$ 942,227

12 DIVISION IX

13 ADMINISTRATION AND COMPLIANCE — FY 2026-2027

14 Sec. 20. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
15 ACCOUNTABILITY, COMPLIANCE, AND PROGRAM INTEGRITY. There
16 is appropriated from the general fund of the state to the
17 department of health and human services for the fiscal year
18 beginning July 1, 2026, and ending June 30, 2027, the following
19 amount, or so much thereof as is necessary, to be used for the
20 purposes designated:

21 For accountability, compliance, and program integrity,
22 including salaries, support, maintenance, and miscellaneous
23 purposes, and for not more than the following full-time
24 equivalent positions:
25 \$ 23,152,404
26 FTEs 382.00

27 1. Of the moneys appropriated in this section, \$2,602,312
28 is allocated for foster care review and the court appointed
29 special advocate program, including for salaries, support,
30 maintenance, and miscellaneous purposes.

31 2. Of the moneys appropriated in this section, \$1,148,959
32 is allocated for the office of long-term care ombudsman
33 for salaries, support, administration, maintenance, and
34 miscellaneous purposes.

35 DIVISION X

1 TRANSFERS, CASH FLOW, AND NONREVERSIONS — FY 2026-2027

2 Sec. 21. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
3 TRANSFERS AND CASH FLOW.

4 1. Notwithstanding any provision of law to the contrary,
5 the department of health and human services may transfer moneys
6 appropriated in this Act to support continuing alignment
7 efforts, to maximize federal support in accordance with the
8 department's federal costs allocation plan, and to secure
9 resources necessary to implement and administer the services
10 for which moneys are appropriated. The department shall report
11 any transfers made pursuant to this subsection to the general
12 assembly. On or before December 1, 2026, the department shall
13 report to the chairpersons of the health and human services
14 appropriations subcommittee the allocations and full-time
15 equivalent positions for each division of the department for
16 the fiscal year beginning July 1, 2027.

17 2. If, due to ongoing cost management efforts,
18 appropriations under this Act for the Medicaid program
19 exceed the associated costs for the Medicaid program for the
20 fiscal year, the department may transfer any savings to the
21 appropriations made in this Act for health program operations,
22 or for accountability, compliance, and program integrity,
23 to defray the costs associated with ongoing cost management
24 efforts.

25 3. Notwithstanding any provision of law to the contrary,
26 the department may transfer moneys appropriated under this Act
27 for child protective services to pay the nonfederal share costs
28 of services reimbursed under the medical assistance program,
29 state child care assistance program, or family investment
30 program which are provided to children who would otherwise
31 receive services paid by the appropriation for child protective
32 services.

33 4. The department may transfer moneys from the temporary
34 assistance for needy families block grant to the federal social
35 services block grant appropriation, and to the child care and

1 development block grant appropriation, in accordance with
2 federal law.

3 5. To the extent the department determines that moneys
4 appropriated under this Act, or allocated for a specific
5 purpose under this Act, will remain unencumbered or unobligated
6 at the close of the fiscal year, such unencumbered or
7 unobligated moneys may be used in the same fiscal year for any
8 other purpose for which the appropriated moneys may be used, or
9 for any other allocation within the same appropriation.

10 Sec. 22. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
11 NONREVERSIONS.

12 1. Notwithstanding section 8.33, moneys appropriated under
13 this Act from the general fund of the state and the temporary
14 assistance for needy families block grant to the department of
15 health and human services for the fiscal year beginning July
16 1, 2026, and ending June 30, 2027, for the purposes of the
17 FaDSS grant program, that remain unencumbered or unobligated at
18 the close of the fiscal year shall not revert but shall remain
19 available for expenditure for the purposes designated until the
20 close of the succeeding fiscal year.

21 2. Notwithstanding section 8.33, of the moneys appropriated
22 under this Act from the general fund of the state, the quality
23 assurance trust fund, and the hospital health care access trust
24 fund to the department of health and human services for the
25 fiscal year beginning July 1, 2026, and ending June 30, 2027,
26 for the purposes of the medical assistance program, the amount
27 in excess of actual expenditures for the medical assistance
28 program that remains unencumbered or unobligated at the close
29 of the fiscal year shall not revert but shall remain available
30 for expenditure for the medical assistance program until the
31 close of the succeeding fiscal year.

32 3. Notwithstanding section 8.33, and notwithstanding the
33 nonreversion amount limitation specified for state resource
34 centers in section 222.92, subsection 4, moneys appropriated
35 under this Act from the general fund of the state to the

1 department of health and human services for the fiscal year
2 beginning July 1, 2026, and ending June 30, 2027, for the
3 purposes of state-operated specialty care, that remain
4 unencumbered or unobligated at the close of the fiscal year
5 shall not revert but shall remain available for expenditure for
6 the purposes designated for subsequent fiscal years.

7 4. Notwithstanding section 8.33, moneys appropriated in
8 this Act from the general fund of the state to the department
9 of health and human services for the fiscal year beginning July
10 1, 2026, and ending June 30, 2027, for the Iowa commission
11 on volunteer service for programs and grants, that remain
12 unencumbered or unobligated at the close of the fiscal year
13 shall not revert but shall remain available for expenditure for
14 the purposes designated for subsequent fiscal years.

15 5. Notwithstanding section 8.33, moneys appropriated under
16 this Act from the general fund of the state to the department
17 of health and human services for the fiscal year beginning
18 July 1, 2026, and ending June 30, 2027, and allocated for
19 rural psychiatric residencies, that remain unencumbered or
20 unobligated at the close of the fiscal year shall not revert
21 but shall remain available for expenditure for the purposes
22 designated until the close of the succeeding fiscal year.

23 6. Notwithstanding section 8.33, moneys appropriated under
24 this Act from the general fund of the state to the department
25 of health and human services for the fiscal year beginning July
26 1, 2026, and ending June 30, 2027, and allocated for adoption
27 subsidy payments and related costs, or for post-adoption
28 services and allowable related purposes, that remain
29 unencumbered or unobligated at the close of the fiscal year
30 shall not revert but shall remain available for expenditure for
31 adoption reinvestment obligations.

32 7. Notwithstanding section 8.33, moneys appropriated under
33 this Act from the general fund of the state to the department
34 of health and human services for the fiscal year beginning July
35 1, 2026, and ending June 30, 2027, and allocated for child

1 protective services, that remain unencumbered or unobligated at
2 the close of the fiscal year shall not revert but shall remain
3 available for expenditure for the purposes designated until the
4 close of the succeeding fiscal year.

5 DIVISION XI

6 REPORT ON NONREVERSION OF MONEYS

7 Sec. 23. DEPARTMENT OF HEALTH AND HUMAN SERVICES — REPORT
8 ON NONREVERSION OF MONEYS. The department of health and
9 human services shall report the expenditure of any moneys for
10 which nonreversion authorization was provided for the fiscal
11 year beginning July 1, 2026, and ending June 30, 2027, to the
12 general assembly on a quarterly basis beginning October 1,
13 2027.

14 DIVISION XII

15 EMERGENCY RULES

16 Sec. 24. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
17 EMERGENCY RULES.

18 1. If necessary to comply with federal requirements,
19 including time frames, the department of health and human
20 services shall adopt administrative rules under section 17A.4,
21 subsection 3, and section 17A.5, subsection 2, paragraph "b",
22 to implement the applicable provisions of this Act. The rules
23 shall be effective immediately upon filing unless a later date
24 is specified in the rules. Any rules adopted in accordance
25 with this section shall also be published as a notice of
26 intended action as provided in section 17A.4.

27 2. If the department of health and human services adopts
28 emergency rules in accordance with this section, or as
29 otherwise directed or authorized by state law, and the rules
30 will result in an increase in expenditures beyond the amount
31 anticipated in the budget for the fiscal year, or if the
32 expenditures were not addressed in the budget for the fiscal
33 year, the department shall notify the general assembly and the
34 department of management concerning the rules and the increase
35 in expenditures. The notification shall be provided at least

1 thirty calendar days prior to the date notice of the rules
2 is submitted to the administrative rules coordinator and the
3 administrative code editor.

4 DIVISION XIII

5 MORE OPTIONS FOR MATERNAL SUPPORT PROGRAM APPROPRIATION
6 NONREVERSION

7 Sec. 25. [2025 Iowa Acts, chapter 169, section 27](#), is amended
8 by adding the following new subsection:

9 NEW SUBSECTION. 8. Notwithstanding section 8.33, moneys
10 appropriated from the general fund of the state to the
11 department of health and human services for the fiscal year
12 beginning July 1, 2025, and ending June 30, 2026, for the more
13 options for maternal support program created in section 217.41C
14 that remain unencumbered or unobligated at the close of the
15 fiscal year shall not revert but shall remain available for
16 expenditure for the purposes designated until the close of the
17 succeeding fiscal year.

18 Sec. 26. EFFECTIVE DATE. This division of this Act, being
19 deemed of immediate importance, takes effect upon enactment.

20 Sec. 27. RETROACTIVE APPLICABILITY. This division of this
21 Act applies retroactively to July 1, 2025.

22 DIVISION XIV

23 REIMBURSEMENT RATES — REVIEW

24 Sec. 28. Section 235.2, Code 2026, is amended by adding the
25 following new subsection:

26 NEW SUBSECTION. 9. Upon implementation by the department
27 of a uniform cost report for shelter care and qualified
28 residential treatment providers, biennially conduct a review of
29 shelter care and qualified residential treatment provider costs
30 compared to current shelter care and qualified residential
31 treatment provider rates. On or before October 1 of the
32 calendar year immediately succeeding the calendar year in
33 which the review is conducted, the department shall submit a
34 report to the governor and the general assembly detailing the
35 results of the department's review and recommendations for rate

1 adjustments.

2 Sec. 29. Section 249A.4, Code 2026, is amended by adding the
3 following new subsection:

4 NEW SUBSECTION. 15. *a.* Conduct an annual review of
5 provider reimbursement rates for medical and health services
6 provided under this chapter that are reimbursed by a statewide
7 fee schedule and that are not periodically updated or rebased
8 pursuant to federal or state law or rule. The department shall
9 compare each provider reimbursement rate in the following
10 manner:

11 (1) For all medical and health services other than dental
12 services, to reimbursement rates under the federal Medicare
13 program.

14 (2) For dental services, to reimbursement rates for
15 Medicaid programs in states contiguous to Iowa.

16 *b.* On or before January 15 of each calendar year, the
17 department shall submit to the general assembly a report
18 summarizing the department's review under paragraph "a".

19 DIVISION XV

20 MENTAL DISEASES EXCLUSION — WAIVER

21 Sec. 30. DEPARTMENT OF HEALTH AND HUMAN SERVICES — MEDICAL
22 DISEASES EXCLUSION WAIVER. No later than July 1, 2027, the
23 department of health and human services shall apply to the
24 centers for Medicare and Medicaid services of the United
25 States department of health and human services for a waiver of
26 Medicaid's institution for mental diseases exclusion.

27 DIVISION XVI

28 DEPARTMENT OF HEALTH AND HUMAN SERVICES — FULL-TIME EQUIVALENT
29 DASHBOARD

30 Sec. 31. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
31 FULL-TIME EQUIVALENT DASHBOARD. Pursuant to section 217.22,
32 the department of health and human services shall make publicly
33 available information on full-time equivalent positions as
34 described in section 8.36A, that details all of the following:

35 1. The number of full-time equivalent positions authorized

1 by the general assembly for the department, categorized by the
2 department division or appropriation.

3 2. The number of filled full-time, part-time, or temporary
4 positions by department division or appropriation.

5 3. The percentage of moneys from each federal, state,
6 or other funding source for each department division and
7 department appropriation.

8 DIVISION XVII

9 COMPREHENSIVE FAMILY SUPPORT PROGRAM

10 Sec. 32. NEW SECTION. 231.80 Comprehensive family support
11 program.

12 1. For the purposes of this section, unless the context
13 otherwise requires:

14 a. "*Comprehensive family support*" means services and
15 supports that assist families caring for an individual with
16 a disability who is a member of the family, including but
17 not limited to programs, services, parent-to-parent support,
18 assistive devices, and various adaptations that allow an
19 individual with a disability to participate more fully in
20 family and community life.

21 b. (1) "*Family*" means a group of interdependent persons
22 living in the same household. A family consists of an
23 individual with a disability and any of the following:

24 (a) The individual's parent.

25 (b) The individual's sibling.

26 (c) The individual's grandparent, aunt, or uncle.

27 (d) The individual's legal custodian.

28 (e) A person providing short-term foster care to the
29 individual with a disability subject to a case permanency plan
30 that provides for reunification between the individual and the
31 individual's parent.

32 (2) "*Family*" does not include a person who is employed
33 to provide services to an individual with a disability in an
34 out-of-home setting, including but not limited to a hospital,
35 nursing facility, personal care home, board and care home,

1 group foster care home, or other institutional setting.

2 *c.* "Individual with a disability" means an individual who is
3 less than twenty-two years of age and meets the definition of
4 developmental disability in 42 U.S.C. §15002.

5 *d.* "Services and support" means assistance intended
6 to enable an individual with a disability to control
7 the individual's environment, to remain living with the
8 individual's family, to function more independently, and
9 to increase the integration of the individual into the
10 individual's community including but not limited to funding
11 for purchase of equipment, respite care, supplies, assistive
12 technology, and payment of other costs attributable to
13 the individual's disability which are identified by the
14 individual's family.

15 2. A comprehensive family support program is created under
16 the purview of the department to provide a statewide system of
17 services and support to eligible families. The program shall
18 be implemented in a manner that enables a family member of an
19 individual with a disability to identify the needed services
20 and support.

21 3. Eligibility for the program is limited to families who
22 meet all of the following criteria:

23 *a.* The family resides in the state of Iowa.

24 *b.* The family intends for the family member who is an
25 individual with a disability to remain living in the family's
26 home.

27 *c.* The family's taxable income is less than sixty thousand
28 dollars for the most recently completed tax year.

29 4. A family may apply to the department or to a family
30 support center for assistance under the comprehensive family
31 support program. The department or family support center shall
32 determine eligibility for the comprehensive family support
33 program in accordance with subsection 3.

34 5. The department shall adopt rules pursuant to chapter
35 17A to implement the comprehensive family support program.

1 The comprehensive family support program must do all of the
2 following:

3 *a.* To the extent possible, incorporate in the application
4 process the eligibility determination processes that the
5 department uses for other disability services programs.

6 *b.* Ensure the ability of families to maintain control of
7 decisions which affect an individual with a disability who is a
8 member of a family.

9 *c.* Utilize existing local agencies to provide facilities and
10 a single entry point for program applicants.

11 *d.* Ensure services and support are provided in a timely
12 manner and emergency access to needed services and support is
13 provided.

14 *e.* Ensure technical assistance is provided to providers and
15 users of services and support.

16 *f.* Utilize state, regional, and local media to publicize the
17 program.

18 *g.* Incorporate a process to appeal the department's or
19 family support center's denial of services and support to a
20 family under the program, including reasonable efforts by the
21 department to utilize telecommunications in the appeal process.

22 *h.* Identify the services and support, and service provider
23 components, included in the program.

24 *i.* Upon request by a family member, provide a family with
25 assistance in locating a service provider.

26 *j.* Make payment for services and support directly to
27 families by voucher or other appropriate means.

28 *k.* Utilize a voucher system for payment for the family
29 support center component of the program under subsection 7.

30 6. Services and support provided under the comprehensive
31 family support program shall not be used to supplant other
32 services and support available to a family of an individual
33 with a disability but shall be used to meet family needs that
34 will not be met without the program.

35 7. The comprehensive family support program shall include a

1 family support center component. Under the component, a family
2 member of an individual with a disability shall be assisted
3 by a family support center in identifying the services and
4 support to be provided to the family under the family support
5 subsidy program or the comprehensive family support program.
6 The identification of services and support must be based upon
7 the specific needs of the individual with a disability and
8 the individual's family which are not met by other service
9 programs available to the individual with a disability and the
10 individual's family.

11 8. The comprehensive family support program shall be funded
12 by appropriations made by the general assembly for purposes of
13 the program. Notwithstanding section 8.33, moneys appropriated
14 for the comprehensive family support program under this section
15 that remain unobligated or unexpended at the close of each
16 fiscal year shall not revert but shall remain available for
17 expenditure for the purposes designated until the close of the
18 immediately succeeding fiscal year.

19 Sec. 33. CODE EDITOR DIRECTIVE. The Code editor is directed
20 to designate section 231.80, as enacted in this division
21 of this Act, as subchapter VIII of chapter 231 entitled
22 "Comprehensive Family Support Program".

23 Sec. 34. EFFECTIVE DATE. This division of this Act, being
24 deemed of immediate importance, takes effect upon enactment.

25 Sec. 35. RETROACTIVE APPLICABILITY. This division of this
26 Act applies retroactively to July 1, 2025.

27 DIVISION XVIII

28 FEDERAL COMMUNITY MENTAL HEALTH SERVICES BLOCK GRANT

29 Sec. 36. 2025 Iowa Acts, chapter 152, section 2, subsection
30 1, paragraph d, is amended to read as follows:

31 ~~d. For the federal fiscal year beginning October 1, 2025,~~
32 ~~and ending September 30, 2026, of~~ Of the moneys allocated
33 to providers under paragraph "c", 70 percent of the moneys
34 allocated each federal fiscal year shall be distributed by
35 a behavioral health administrative services organization or

1 the department of health and human services to the state's
2 accredited community mental health centers designated by
3 the department of health and human services under section
4 225A.3, as enacted by 2024 Iowa Acts, chapter 1161, section
5 3. Community mental health centers that receive moneys
6 distributed under this paragraph shall use the moneys for the
7 purposes of training staff, providing services to adults with
8 a serious mental illness, or providing services to children
9 with a serious emotional disturbance, and shall bill treatment
10 dollars related to such services to the department of health
11 and human services through the department's claims system.
12 The department of health and human services shall publish the
13 amounts to be distributed to community mental health centers on
14 the department's internet site on or before October 1, 2025,
15 and on or before October 1, 2026, and distribute the moneys to
16 the recipients on a quarterly basis. Recipients of the moneys
17 shall submit quarterly reports to the department of health and
18 human services containing data consistent with performance
19 measures approved by the federal substance abuse and mental
20 health services administration.

21

DIVISION XIX

22 DEPARTMENT OF HEALTH AND HUMAN SERVICES — BEHAVIORAL HEALTH
23 EXPENDITURE REPORT

24 Sec. 37. NEW SECTION. 225A.10 Behavioral health services
25 expenditure report.

26 No later than December 15 of each year, the department shall
27 submit to the general assembly a summary of the department's
28 expenditures for behavioral health services for adults and
29 children for the immediately preceding fiscal year, including a
30 summary of which appropriations or funding sources were used to
31 fund the expenditures.

32

DIVISION XX

33 OPIOID SETTLEMENT FUND — FY 2026-2027

34 Sec. 38. OPIOID SETTLEMENT FUND — DEPARTMENT OF HEALTH AND
35 HUMAN SERVICES.

1 1. There is appropriated from the opioid settlement fund
2 created in section 12.51 to the department of health and human
3 services for the fiscal year beginning July 1, 2026, and ending
4 June 30, 2027, the following amount, or so much thereof is as
5 necessary, for the purposes designated:

6 \$ 3,000,000

7 2. Notwithstanding any provision of law to the contrary,
8 of the moneys appropriated to the department of health and
9 human services under subsection 1, the department shall
10 disburse to an opioid treatment program that operates a
11 facility with at least one hundred fifty licensed beds that
12 provides medical detoxification stabilization and residential
13 substance abuse disorder treatment to support comprehensive
14 addiction and co-occurring mental health treatment, and provides
15 24-hour medical detoxification, residential treatment, and
16 medication-assisted treatment.

17 a. Moneys disbursed under this subsection shall be used
18 by the recipient in compliance with the requirements of the
19 national opioid settlement agreements and section 12.51.

20 b. The recipient shall utilize the indicators and outcomes
21 identified under section 12.51, subsection 2, paragraph "b",
22 subparagraph (3), subparagraph division (c), to determine
23 whether the services and activities that are funded by the
24 disbursement achieve the intended outcomes, and shall report
25 the recipient's findings to the department of health and human
26 services.

27 DIVISION XXI

28 GRADUATE MEDICAL EDUCATION

29 Sec. 39. 2025 Iowa Acts, chapter 120, section 19, is amended
30 to read as follows:

31 SEC. 19. TRANSFER OF MONEYS. Notwithstanding section
32 8.33 or any other provision to the contrary, any unobligated
33 or unencumbered moneys in any of the following accounts or
34 funds or constituting any specified appropriation, shall not
35 revert but are appropriated to the department of health and

1 human services to ~~fund Medicaid graduate medical education~~
2 ~~efforts~~ award grants to start medical residency programs in
3 the state that are not related to the practice of family
4 medicine, are not located in a county which has a population
5 of one hundred fifty thousand or more based on the most recent
6 federal decennial census, and in which the main campus of an
7 institution of higher learning governed by the state board of
8 regents is located.

9 1. The health care workforce shortage fund created in
10 section 135.175, subsection 1, paragraph "b", Code 2025.

11 2. The medical residency training account created in
12 section 135.175, subsection 5, paragraph "a", Code 2025, except
13 \$298,000 of such moneys is appropriated to the department of
14 health and human services for the purposes of implementing the
15 waiver of Medicaid's institution for mental diseases exclusion
16 the department must apply for under this 2026 Iowa Act.

17 3. The nurse residency state matching grants program
18 account created in section 135.175, subsection 5, paragraph
19 "b", Code 2025.

20 4. The health care workforce shortage national initiatives
21 account created in section 135.175, subsection 5, paragraph
22 "c", Code 2025.

23 5. The family medicine obstetrics fellowship program fund
24 created in section 135.193, Code 2025.

25 6. Moneys appropriated to the department of health and human
26 services for rural psychiatric residencies to fund psychiatric
27 residents to provide mental health services in underserved
28 areas of the state as described in the following:

29 a. [2024 Iowa Acts, chapter 1157, section 5, subsection 3,](#)
30 [and 2024 Iowa Acts, chapter 1157, section 22, subsection 5.](#)

31 b. 2023 Iowa Acts, chapter 112, section 5, subsection 4,
32 paragraph "j", as amended by 2024 Iowa Acts, chapter 1157,
33 section 29.

34 c. 2022 Iowa Acts, chapter 1131, section 3, subsection 4,
35 paragraph "j", as amended by 2024 Iowa Acts, chapter 1157,

1 section 23.

2 d. 2021 Iowa Acts, chapter 182, section 3, subsection 4,
3 paragraph "j".

4 e. 2019 Iowa Acts, chapter 85, section 3, subsection 4,
5 paragraph "j", as amended by 2020 Iowa Acts, chapter 1121,
6 section 19.

7 DIVISION XXII

8 MEDICAID REIMBURSEMENT RATE — SPECIAL POPULATION NURSING
9 FACILITIES

10 Sec. 40. Section 249A.2, Code 2026, is amended by adding the
11 following new subsection:

12 NEW SUBSECTION. 15. "*Special population nursing facility*"
13 refers to a nursing facility that serves one of the following
14 populations and has been designated as a special population
15 nursing facility by the department:

16 a. One hundred percent of the residents served are aged
17 thirty and under and require a skilled level of care.

18 b. Seventy percent of the residents served require a skilled
19 level of care for neurological disorders.

20 c. One hundred percent of the residents require care from a
21 facility licensed by the department of inspections, appeals,
22 and licensing as an intermediate care facility for persons with
23 mental illness.

24 d. One hundred percent of the residents require care from a
25 facility licensed by the department of inspections, appeals,
26 and licensing as an intermediate care facility for persons with
27 medical complexity.

28 Sec. 41. NEW SECTION. 249A.38C Medicaid reimbursement rate
29 — special population nursing facilities.

30 The provider reimbursement rate for each special population
31 nursing facility must be the special population nursing
32 facility's average allowable per diem costs as adjusted in
33 compliance with applicable federal laws and regulations,
34 including the upper payment limits specified in 42 C.F.R.
35 §447.272(b). If a special population nursing facility subject

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1 to this section increases the special population nursing
2 facility's number of beds or expands to provide additional
3 services on or after July 1, 2026, the reimbursement rate in
4 this section shall apply to such additional beds or services.>

5 2. Title page, by striking lines 12 through 19 and inserting
6 <waiver; full-time equivalent dashboard; comprehensive family
7 support program; federal community mental health services block
8 grant; behavioral health expenditure report; opioid settlement
9 fund; emergency rules; graduate medical education; and special
10 population nursing facilities; and including effective date and
11 retroactive applicability provisions.>

By A. MEYER of Webster

[H-8461](#) FILED MAY 1, 2026

HOUSE FILE 2782

H-8465

1 Amend the amendment, H-8461, to House File 2782, as follows:
2 1. Page 6, after line 24 by inserting:
3 <d. \$225,000 for distribution to an organization that is
4 the oldest continuously operating medical society in the most
5 populous county in the state according to the most recently
6 published census for continuation of safety net provider
7 patients access to specialty care as described in 2007 Iowa
8 Acts, chapter 218, section 109. Moneys under this paragraph
9 shall be distributed in their entirety on July 1, 2026, for the
10 purpose specified.>

By BAETH of Polk

H-8465 FILED MAY 1, 2026

HOUSE FILE 2782

H-8466

1 Amend the amendment, H-8461, to House File 2782, as follows:

2 1. Page 37, after line 4 by inserting:

3 <DIVISION ____

4 RURAL BIRTHING HOSPITAL FUND

5 Sec. ____ . NEW SECTION. 135.90 Rural birthing hospital fund.

6 1. As used in this section, "*birthing hospital*" means the
7 same as defined in section 135.131.

8 2. A rural birthing hospital fund is created in the state
9 treasury under the control of the department. Moneys in the
10 fund are appropriated to the department to distribute grants
11 for the purpose of expanding access to birthing hospitals
12 across the state, including funding the establishment of
13 birthing hospitals in rural areas of the state that experienced
14 closures of birthing hospitals from July 1, 2021, through July
15 1, 2026.

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

21 4. Notwithstanding section 12C.7, subsection 2, interest or
22 earnings on moneys in the fund shall be credited to the fund.

23 Sec. ____ . RURAL BIRTHING HOSPITAL FUND —

24 APPROPRIATION. There is appropriated from the general fund of
25 the state to the department of health and human services for
26 the fiscal year beginning July 1, 2026, and ending June 30,
27 2027, the following amount, or so much thereof as is necessary,
28 to be used for the purposes designated:

29 For deposit in the rural birthing hospital fund created in
30 section 135.90 as enacted in this division of this Act:

31 \$ 10,000,000>

32 2. Page 37, line 9, by striking <and>

33 3. Page 37, by striking lines 10 and 11 and inserting
34 <population nursing facilities; and creating a rural birthing
35 hospital fund; and including effective date and retroactive

H-8466 (Continued)

1 applicability provisions.>

2 4. By renumbering as necessary.

By WESSEL-KROESCHELL of Story

H-8466 FILED MAY 1, 2026

HOUSE FILE 2794

H-8457

- 1 Amend House File 2794 as follows:
- 2 1. Page 1, line 2, after <program> by inserting <— fund>
- 3 2. Page 1, by striking lines 9 through 11 and inserting
- 4 <sexual assault forensic examination centers in this state.>
- 5 3. Page 2, after line 30 by inserting:
- 6 <6. A sexual assault forensic examination center grant
- 7 program trust fund is created in the state treasury under
- 8 the control of the department of justice. The department of
- 9 justice may accept gifts, grants, bequests, and other private
- 10 contributions, as well as state or federal moneys, for deposit
- 11 in the fund. All moneys deposited in the trust fund are
- 12 appropriated and made available to the department of justice
- 13 to be used for the purposes meeting the requirements of this
- 14 section and to provide grants to sexual assault forensic
- 15 examination centers in this state. Notwithstanding section
- 16 12C.7, subsection 2, interest or earnings on moneys in the fund
- 17 shall be credited to the fund.>
- 18 4. Title page, by striking lines 1 through 3 and inserting
- 19 <An Act establishing a sexual assault forensic examination
- 20 center grant program and trust fund.>

By LOHSE of Polk

H-8457 FILED MAY 1, 2026

H-8458

1 Amend House File 2795 as follows:

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

4 <DIVISION I

5 EARLY CHILDHOOD AND FAMILY SERVICES SYSTEM

6 Section 1. NEW SECTION. 234A.1 Definitions.

7 For the purposes of this chapter, unless the context
8 otherwise requires:

9 1. "*Community resources*" means locally focused,
10 strength-based programs and supports that aim to enhance family
11 functioning and resilience, promote child development and
12 safety, and prevent future involvement with child protective
13 services or the juvenile justice system.

14 2. "*Department*" means the department of health and human
15 services.

16 3. "*Early childhood and family services district*" or "*ECFS*
17 *district*" means a health and human services district utilized
18 for the purpose of administering the ECFS system.

19 4. "*Early childhood and family services district advisory*
20 *council*" or "*ECFS district advisory council*" means an advisory
21 council established under section 234A.3.

22 5. "*Early childhood and family services district plan*" or
23 "*ECFS district plan*" means a plan developed by the department
24 to outline the ECFS system infrastructure of a district and
25 the programs and services intended to be provided within that
26 district.

27 6. "*Early childhood and family services state plan*" or "*ECFS*
28 *state plan*" means the plan developed by the department that
29 describes the key components of the state's ECFS system.

30 7. "*Early childhood and family services system*" or "*ECFS*
31 *system*" means the system established in section 234A.2.

32 8. "*Early childhood and family services system fund*" or "*ECFS*
33 *system fund*" means the fund created in section 234A.6.

34 9. "*Early intervention strategies*" means services and
35 supports designed to proactively identify and address risk

1 factors and includes services that aim to strengthen families,
2 promote healthy development, and reduce the likelihood of abuse
3 or neglect by providing timely, targeted assistance to children
4 and caregivers through the ECFS system.

5 10. "*Evidence-based*" means practices, programs, and policies
6 grounded in the best available research and data, and that have
7 been scientifically tested and shown to be effective through
8 rigorous evaluation.

9 11. "*Family support services*" include group-based parent
10 education and home visiting programs designed to strengthen
11 protective factors including parenting skills, increase
12 parental knowledge of child development, and increase family
13 functioning and problem-solving skills. Family support
14 services may be used as an early intervention strategy to
15 improve birth outcomes, parental knowledge, family economic
16 success, the home learning environment, family and child
17 involvement with others, and coordination with other community
18 resources. Family support services may have a specific focus
19 on preventing child maltreatment or ensuring children are safe,
20 healthy, and ready to succeed in school.

21 12. "*Health and human services district*" means the same as
22 defined in section 217.1.

23 13. "*HOPES-HFI program*" means the healthy opportunities for
24 parents to experience success - healthy families Iowa program
25 established in section 234A.5.

26 14. "*Ongoing family and community resources*" means a
27 continuum of sustained, accessible, and family-centered
28 resources provided through the ECFS system that help families
29 meet their needs, strengthen protective factors, and prevent
30 child abuse and neglect.

31 15. "*Primary prevention strategies*" means a comprehensive
32 set of services and supports provided through the ECFS system
33 that are designed to strengthen families, promote healthy child
34 development, and prevent adverse outcomes before they occur.
35 These activities focus on addressing the underlying social,

1 economic, and environmental conditions that place children and
2 families at risk, such as poverty, social isolation, and lack
3 of access to quality early care and education.

4 16. "*Protective factor*" means an inherent strength,
5 resource, or capacity of a family, or a resource that helps a
6 family thrive, buffer against stress, and reduce the likelihood
7 of child abuse, neglect, or other poor outcome.

8 17. "*Strength-based*" means an approach that focuses
9 on identifying and building upon the inherent strengths,
10 resources, and capacities of a family to support the family's
11 growth, resilience, and well-being.

12 Sec. 2. NEW SECTION. 234A.2 **Early childhood and family**
13 **services system — department powers and duties.**

14 1. An early childhood and family services system is
15 established under the control of the department for the
16 purposes of implementing a statewide array of primary
17 prevention strategies, early intervention strategies, and
18 ongoing family and community resources for families and their
19 children under nineteen years of age.

20 2. The ECFS system shall be administered in a manner to
21 maximize funding opportunities, interagency collaboration, and
22 integration of activities and services that support positive
23 outcomes for children and families.

24 3. The ECFS system shall support equitable statewide access
25 to all services, supports, and other resources offered through
26 the ECFS system that, at a minimum, shall include all of the
27 following:

28 a. Evidence-based primary prevention strategies, including
29 family support services, designed to assist families in
30 establishing healthy, successful futures.

31 b. Tailored early intervention strategies for children and
32 families to ensure long-term well-being, including economic
33 self-sufficiency.

34 c. Ongoing family and community resources for children and
35 families to address the root causes of child abuse and neglect

1 and enhance protective factors.

2 *d.* Specific service components including early childhood
3 services, evidence-based family support services, and community
4 resources.

5 4. To the extent funding is available, the department
6 shall do all of the following to develop and administer the
7 ECFS system and carry out the department's duties under this
8 chapter:

9 *a.* Plan, establish, and maintain primary prevention
10 strategies, early intervention strategies, and ongoing family
11 and community resources.

12 *b.* (1) Develop an early childhood and family services state
13 plan that is consistent with the department's agency strategic
14 plan adopted pursuant to section 8E.204, and the state health
15 improvement plan developed under section 217.17.

16 (2) When developing the ECFS state plan, the department
17 shall do all of the following:

18 (a) Collaborate with stakeholders including but not
19 limited to experienced public health and medical providers, law
20 enforcement, educators, the early childhood Iowa state board,
21 the early childhood Iowa area boards, and organizations that
22 represent populations including but not limited to children to
23 be served by the ECFS system.

24 (b) Publish the proposed ECFS state plan on the department's
25 internet site and allow the public to review and comment on the
26 proposed ECFS state plan prior to adoption.

27 *c.* Administer the ECFS system in each ECFS district based on
28 early childhood and family services district plans.

29 *d.* Develop ECFS district plans in collaboration with ECFS
30 system partners and stakeholders.

31 *e.* Establish ECFS district advisory councils pursuant to
32 section 234A.3.

33 *f.* Coordinate administration of each ECFS district plan with
34 federal and state resources.

35 *g.* Enter into contracts as necessary to perform activities,

1 and provide services, supports, and other resources in
2 accordance with each ECFS district plan.

3 *h.* Coordinate district activities with other state agencies
4 and state-funded initiatives that support positive outcomes for
5 children and families.

6 *i.* Administer and distribute federal aid received, and state
7 appropriations, grants, and other moneys deposited into the
8 early childhood and family services system fund.

9 *j.* Oversee, provide technical assistance to, and monitor
10 department contractors to ensure compliance with ECFS district
11 plans.

12 *k.* Establish and maintain data collection and management
13 information systems to identify, collect, and analyze service
14 outcomes and performance data to address the needs of clients,
15 providers, the department, and ECFS system programs.

16 *l.* Collect, maintain, monitor, analyze, and utilize
17 information including but not limited to ECFS client records
18 and programmatic, state, and national data, engage in studies
19 and analyses, and gather relevant statistics to understand
20 emerging needs and effectively deploy information, resources,
21 and technical assistance in response.

22 *m.* Adopt rules pursuant to chapter 17A to administer this
23 chapter.

24 *n.* Take any other necessary actions to execute the
25 department's duties under this chapter or maintain compliance
26 with federal requirements.

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

29 *a.* Cooperate with any state agency, political subdivision,
30 or federal governmental agency to apply for grants.

31 *b.* Solicit and accept for use any gift of money, by will or
32 otherwise, and any grant of money or services from the federal
33 government, the state, a political subdivision of the state or
34 federal government, or a private source.

35 Sec. 3. NEW SECTION. 234A.3 Early childhood and family

1 **services district advisory councils.**

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

7 2. An ECFS district advisory council shall consist of ten
8 members appointed by the department. Individuals eligible
9 for appointment include but are not limited to all of the
10 following:

11 *a.* Elected public officials who currently hold office within
12 the ECFS district.

13 *b.* Individuals who have experience or expertise related to
14 health, education, domestic assault response, abuse response,
15 or community-based child abuse prevention.

16 *c.* Individuals who are representative of the populations
17 served in the ECFS district advisory council's ECFS district.

18 *d.* Individuals who represent the faith community or
19 community partners in the ECFS district advisory council's ECFS
20 district.

21 3. An ECFS district advisory council shall do all of the
22 following:

23 *a.* Identify opportunities and address challenges based
24 on updates received from the department relating to the
25 implementation of the ECFS district plan for the ECFS district
26 advisory council's ECFS district.

27 *b.* Provide feedback to the department while the department
28 is developing ECFS system policies.

29 *c.* Advise the department on how to best provide families
30 access to primary prevention strategies, early intervention
31 strategies, and ongoing family and community resources
32 throughout the ECFS district advisory council's ECFS district.

33 4. An ECFS district advisory council shall perform the
34 duties required under this section regardless of whether any
35 seat on the ECFS district advisory council is vacant.

1 Sec. 4. NEW SECTION. **234A.4 Data collection and use.**

2 1. The department shall perform all of the following actions
3 related to ECFS system data:

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

10 (2) When performing duties under this paragraph, the
11 department shall maintain compliance with applicable federal
12 and state privacy laws to ensure the confidentiality and
13 integrity of individually identifiable data.

14 (3) The department shall periodically assess the status of
15 the department's compliance with subparagraph (2) to ensure
16 that data collected and maintained by the department under this
17 paragraph is protected.

18 *b.* To the extent possible, establish a record for each
19 individual receiving publicly funded ECFS system services.
20 Each record established under this paragraph shall include a
21 unique client identifier for the purposes of identifying and
22 tracking the individual's record.

23 *c.* Consult with department contractors and other ECFS system
24 stakeholders on an ongoing basis relating to the administration
25 of the ECFS system, including but not limited to reviewing
26 trends and outcomes as indicators for improving or modifying
27 administration of the ECFS system.

28 *d.* Engage with entities that maintain information the
29 department is required to collect pursuant to this section to
30 integrate data relating to individuals receiving ECFS system
31 services.

32 *e.* Engage with entities that maintain general population
33 data relating to the ECFS system to develop action plans,
34 create projections relating to a population's ECFS system
35 needs, develop ECFS system policies, and otherwise perform

1 activities as necessary to support families in achieving a
2 healthy, successful future.

3 2. The department shall ensure that public and private
4 agencies, organizations, and individuals that operate within
5 the ECFS system use uniform methods to maintain statistical
6 information relating to ECFS system outcomes and performance.

7 Sec. 5. NEW SECTION. 234A.5 **Healthy families programs —**
8 **HOPES-HFI program.**

9 1. The department may establish the HOPES-HFI program to
10 provide services to families and children during a child's
11 prenatal through preschool years. If established, the
12 HOPES-HFI program shall do all of the following:

13 a. Promote optimal child health and development.

14 b. Improve family coping skills and functioning.

15 c. Promote positive parenting skills and intrafamilial
16 interaction.

17 d. Prevent child abuse, child neglect, infant mortality, and
18 infant morbidity.

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

22 Sec. 6. NEW SECTION. 234A.6 **Early childhood and family**
23 **services system fund.**

24 1. An early childhood and family services system fund
25 is created in the state treasury under the control of the
26 department and consisting of any moneys appropriated to the
27 department for the ECFS system fund's purposes by the general
28 assembly and any other moneys available and obtained or
29 accepted by the department for deposit in the ECFS system fund.
30 The ECFS system fund shall be used to implement and administer
31 the ECFS system.

32 2. Moneys in the ECFS system fund are appropriated to the
33 department for the purposes of implementing and administering
34 the ECFS system.

35 3. Notwithstanding section 8.33, moneys appropriated in

1 this section that remain unencumbered or unobligated at the
2 close of a fiscal year shall not revert but shall remain
3 available for expenditure for the purposes designated.

4 4. Notwithstanding section 12C.7, subsection 2, interest or
5 earnings on moneys in the ECFS system fund shall be credited
6 to the ECFS system fund.

7 Sec. 7. REPEAL. Section 135.106, Code 2026, is repealed.

8 Sec. 8. EFFECTIVE DATE. The section of this division of
9 this Act enacting section 234A.6, being deemed of immediate
10 importance, takes effect upon enactment.

11 DIVISION II

12 DECATEGORIZATION INITIATIVE

13 Sec. 9. Section 235.7, subsection 2, Code 2026, is amended
14 to read as follows:

15 2. *Membership.* ~~The department may authorize the governance~~
16 ~~boards of decategorization of child welfare and juvenile~~
17 ~~justice funding projects established under section 232.188 to~~
18 ~~appoint the transition committee membership and may utilize~~
19 ~~the boundaries of decategorization projects to establish~~
20 ~~the service areas for transition committees. The committee~~
21 A committee's membership may include but is not limited to
22 department staff involved with foster care, child welfare,
23 and adult services, juvenile court services staff, staff
24 involved with county general assistance or emergency relief
25 under chapter 251 or 252, school district and area education
26 agency staff involved with special education, and a child's
27 court appointed special advocate, guardian ad litem, service
28 providers, and other persons knowledgeable about the child.

29 Sec. 10. Section 237A.1, subsection 2, paragraph j,
30 subparagraph (2), Code 2026, is amended by striking the
31 subparagraph.

32 Sec. 11. Section 249A.26, subsection 5, Code 2026, is
33 amended by striking the subsection.

34 Sec. 12. Section 256I.4, subsection 6, Code 2026, is amended
35 by striking the subsection.

1 Sec. 13. REPEAL. Section 232.188, Code 2026, is repealed.

2 Sec. 14. DECATEGORIZATION FUNDING AND INITIATIVES.

3 1. For purposes of this section, unless the context
4 otherwise requires:

5 a. "Carryover funding" means unobligated or unencumbered
6 moneys described in section 232.188, subsection 5, paragraph
7 "b", Code 2026, at the close of the fiscal year beginning July
8 1, 2025.

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

11 c. "Department" means the department of health and human
12 services.

13 d. "Funding" means moneys transferred to and remaining in a
14 funding pool at the close of the fiscal year that began July 1,
15 2025, and that consist of any of the following:

16 (1) Moneys appropriated by the general assembly and
17 designated for a decategorization initiative.

18 (2) Moneys appropriated by the general assembly to the
19 department for child welfare and juvenile justice services and
20 designated for a decategorization initiative by the department.

21 (3) Moneys appropriated to juvenile court services for
22 juvenile justice programs and designated for a decategorization
23 initiative.

24 (4) Carryover funding.

25 e. "Funding pool" means the same as defined in section
26 232.188, Code 2026.

27 f. "Governance board" means the same as defined in section
28 232.188, Code 2026.

29 2. a. Notwithstanding any provision of law to the contrary,
30 funding that consists of moneys designated for decategorization
31 initiatives and transferred to a funding pool by the department
32 that remains in a funding pool at the close of the fiscal year
33 beginning July 1, 2025, that has been encumbered or obligated
34 by the governance board for a decategorization initiative or
35 by contract beyond the end of that fiscal year, shall remain

1 available for expenditure to ensure continuation of such
2 decategorization initiative or contract until the close of the
3 succeeding fiscal year, unless otherwise determined by the
4 department under subsection 5.

5 b. Any encumbered or obligated moneys remaining in a funding
6 pool as specified in paragraph "a" at the close of the fiscal
7 year that begins July 1, 2026, which are not encumbered or
8 obligated by the department as determined under subsection 5
9 shall be transferred and appropriated to the department.

10 3. a. Notwithstanding any provision of law to the contrary,
11 juvenile court services shall terminate all decategorization
12 initiative contracts funded through moneys designated for a
13 decategorization initiative and transferred to a funding pool
14 by juvenile court services at the close of the fiscal year
15 that began July 1, 2025, and shall not renew or extend such
16 contracts.

17 b. Moneys encumbered or obligated under a contract
18 terminated under this subsection that remain in a funding pool
19 at the close of the fiscal year beginning July 1, 2025, shall
20 be transferred and appropriated to juvenile court services.

21 4. a. Notwithstanding any provision of law to the
22 contrary, moneys that remain in a funding pool at the end of
23 the fiscal year that began July 1, 2025, that are unencumbered
24 or unobligated by the governance board for a decategorization
25 initiative or by contract at the close of the fiscal year,
26 shall be transferred and appropriated to the department and
27 juvenile court services proportionately based on the percentage
28 of moneys designated for decategorization initiatives and
29 transferred to funding pools by each entity for each fiscal
30 year for the fiscal period beginning July 1, 2020, and ending
31 June 30, 2026.

32 b. Notwithstanding any provision of law to the contrary
33 including section 8.33, moneys transferred and appropriated
34 to the department and juvenile court services under this
35 subsection shall not revert but shall remain available to those

1 entities to be used for child welfare and juvenile justice
2 services until expended.

3 5. a. With input from appropriate stakeholders, the
4 department shall identify each contract funded through a
5 funding pool impacted by this division of this Act.

6 b. The department shall evaluate each contract identified
7 under paragraph "a" to determine the following:

8 (1) If termination is permitted by the terms of a contract
9 being evaluated, whether the department should exercise the
10 option to terminate the contract by June 30, 2026, or continue
11 the contract until the end of the current contract term.

12 (2) If termination is not permitted by the terms of the
13 contract, whether the contract should be renewed or extended by
14 the department at the end of the current contract term.

15 (3) Whether the department should assume responsibility
16 for a contract for the remainder of the current term of the
17 contract, for the term of the contract if the contract is
18 renewed, or for the term of the contract if the contract is
19 extended to avoid service interruption.

20 c. Unless otherwise provided under this section, a
21 governance board or other entity shall not execute a contract
22 for a decategorization initiative if the contract is funded
23 through moneys in a funding pool after the effective date of
24 this section of this division of this Act, or if the term of the
25 contract extends beyond, or the deliverables under the contract
26 would be provided after, June 30, 2027.

27 Sec. 15. EFFECTIVE DATE. The section of this division of
28 this Act related to decategorization funding and initiatives,
29 being deemed of immediate importance, takes effect upon
30 enactment.

31 Sec. 16. RETROACTIVE APPLICABILITY. The section of this
32 division of this Act related to decategorization funding and
33 initiatives applies retroactively to July 1, 2025.

34
35

DIVISION III
CHILD ABUSE PREVENTION PROGRAM

1 Sec. 17. Section 144.13A, subsection 5, paragraph a, Code
2 2026, is amended to read as follows:

3 a. Ten dollars of each registration fee is appropriated and
4 shall be used for ~~primary and secondary~~ child abuse prevention
5 ~~programs pursuant to section 235A.1~~, and ten dollars of each
6 registration fee is appropriated and shall be used for the
7 congenital and inherited disorders central registry established
8 pursuant to section 136A.6. Notwithstanding section 8.33,
9 moneys appropriated in this paragraph that remain unencumbered
10 or unobligated at the close of the fiscal year shall not revert
11 but shall remain available for expenditure for the purposes
12 designated until the close of the succeeding fiscal year, and
13 shall not be transferred, used, obligated, appropriated, or
14 otherwise encumbered except as provided in this paragraph.

15 Sec. 18. Section 422.12K, Code 2026, is amended to read as
16 follows:

17 **422.12K Income tax checkoff for child abuse prevention**
18 ~~program fund.~~

19 1. A person who files an individual or a joint income tax
20 return with the department of revenue under section 422.13 may
21 designate one dollar or more to be paid to the ~~child abuse~~
22 ~~prevention program~~ early childhood and family services system
23 fund created in section ~~235A.2~~ 234A.6, to be used for the
24 purpose of child abuse prevention. If the refund due on the
25 return or the payment remitted with the return is insufficient
26 to pay the additional amount designated by the taxpayer to
27 the ~~child abuse prevention program~~ early childhood and family
28 services system fund, the amount designated shall be reduced to
29 the remaining amount remitted with the return. The designation
30 of a contribution to the ~~child abuse prevention program~~ early
31 childhood and family services system fund under this section
32 is irrevocable.

33 2. The director of revenue shall draft the income tax form
34 to allow the designation of contributions to the ~~child abuse~~
35 ~~prevention program~~ early childhood and family services system

1 fund on the tax return. The department of revenue, on or
2 before January 31, shall transfer the total amount designated
3 on the tax return forms due in the preceding calendar year to
4 the ~~child abuse prevention program~~ early childhood and family
5 services system fund. However, before a checkoff pursuant
6 to this section shall be permitted, all liabilities on the
7 books of the department and accounts identified as owing under
8 section 421.65 shall be satisfied.

9 3. The department of health and human services may authorize
10 payment of moneys from the ~~child abuse prevention program~~ early
11 childhood and family services system fund for the purpose
12 of child abuse prevention in accordance with section ~~235A.2~~
13 234A.6.

14 4. The department of revenue shall adopt rules to administer
15 this section.

16 5. This section is subject to repeal under section 422.12E.

17 Sec. 19. REPEAL. Sections 235A.1, 235A.2, and 235A.3, Code
18 2026, are repealed.

19 Sec. 20. CHILD ABUSE PREVENTION PROGRAM FUND — TRANSFER
20 OF MONEYS. Any unencumbered or unobligated moneys remaining
21 in the child abuse prevention program fund created in section
22 235A.2, on June 30, 2026, shall be transferred to the early
23 childhood and family services system fund created in section
24 234A.6, as enacted in this Act.

25 Sec. 21. CHILD ABUSE PREVENTION PROGRAM — REVIEW OF
26 CONTRACTS IMPACTED BY TRANSITION TO THE EARLY CHILDHOOD
27 AND FAMILY SERVICES SYSTEM. With input from appropriate
28 stakeholders, the department shall review the child abuse
29 prevention program's contract for program administration and
30 each grant project funded through the child abuse prevention
31 program for the fiscal year beginning July 1, 2025, and ending
32 June 30, 2026, impacted by this division of this Act. The
33 department shall work with the child abuse prevention program's
34 program administrator, local child abuse stakeholders, and
35 grant project recipients to transition the funding and child

1 abuse prevention administration and service delivery to the
2 early childhood and family services system established in
3 division I of this Act.

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

9 Sec. 23. RETROACTIVE APPLICABILITY. The section of this
10 division of this Act relating to the review of contracts
11 impacted by the transition of the child abuse prevention
12 program to the early childhood and family services system
13 applies retroactively to July 1, 2025.

14 DIVISION IV

15 EARLY CHILDHOOD IOWA INITIATIVE — EARLY CHILDHOOD AND FAMILY
16 SERVICES

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

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

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

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

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

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

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

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

1 following:

2 a. With input from appropriate stakeholders, the department
3 shall identify each current home visiting services contract
4 executed by the early childhood Iowa area board requesting the
5 transfer of administration of home visiting services. The
6 early childhood Iowa area board shall, if permitted by the
7 terms of a contract, exercise the option to terminate the
8 contract. If a contract does not permit early termination, the
9 contract shall be terminated at the end of the current term of
10 the contract. A contract identified under this paragraph shall
11 not be renewed or extended at the end of the current contract
12 term.

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

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

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

35 e. The department shall maintain ongoing communication

1 with, and provide a means to receive input from, the early
2 childhood Iowa area board requesting the transfer of
3 administration of home visiting services during the selection
4 process for home visiting services providers in the early
5 childhood Iowa area board's early childhood Iowa area. The
6 department shall collaborate with the director of the early
7 childhood Iowa area board when selecting a home visiting
8 services provider. The department shall ensure that each
9 contract the department enters into for home visiting services
10 requires that the contracted home visiting services provider
11 inform the early childhood Iowa area board that the home
12 visiting services provider will provide home visiting services
13 in the early childhood Iowa area board's early childhood Iowa
14 area.

15 3. During and after the transfer of administration of home
16 visiting services to the ECFS system, and contingent upon the
17 department's receipt of additional federal funds for home
18 visiting services pursuant to the Social Security Act, Tit.
19 IV-E, the department shall annually redistribute among all
20 early childhood Iowa areas that made a request under subsection
21 2 the following percentages of the additional federal funds
22 received for coordination of early childhood services for
23 children from age zero through age five:

24 a. For the fiscal year beginning July 1, 2027, and ending
25 June 30, 2028, twenty-five percent.

26 b. For the fiscal year beginning July 1, 2028, and ending
27 June 30, 2029, fifteen percent.

28 c. For the fiscal year beginning July 1, 2029, and ending
29 June 30, 2030, five percent.

30 DIVISION V

31 EARLY CHILDHOOD IOWA INTERIM STUDY COMMITTEE

32 Sec. 25. LEGISLATIVE COUNCIL — EARLY CHILDHOOD IOWA
33 INTERIM STUDY COMMITTEE.

34 1. The legislative council shall convene a study committee
35 during the 2026 legislative interim to review the most

1 efficient means to transition home visiting services offered
2 through an early childhood Iowa area, as that term is defined
3 in section 256I.1, to another system based on districts created
4 by the department of health and human services and to implement
5 the transition with minimal disruption to home visitation
6 services. At a minimum, the study committee shall review all
7 of the following:

8 a. The financial and logistical consequences to the early
9 childhood Iowa system and home visitation services.

10 b. The effects on statewide access to services currently
11 provided through early childhood Iowa, including but not
12 limited to the quality of services and the coordination between
13 providers and the department.

14 c. The impact on rural and underserved communities.

15 d. Possible courses of action to transition home visitation
16 services to ensure the early childhood Iowa system remains
17 viable and effective in the long term.

18 2. a. The study committee's voting members shall consist
19 of the following:

20 (1) Two members of the senate appointed by the senate
21 majority leader.

22 (2) One member of the senate appointed by the senate
23 minority leader.

24 (3) Two members of the house of representatives appointed
25 by the house majority leader.

26 (4) One member of the house of representatives appointed by
27 the house minority leader.

28 b. The study committee's nonvoting members shall consist of
29 the following:

30 (1) Two members of the association of early childhood Iowa
31 area boards and advocates appointed by the association of early
32 childhood Iowa area boards and advocates.

33 (2) Two early childhood Iowa stakeholders appointed by the
34 association of early childhood Iowa area boards and advocates.

35 (3) Two persons with relevant expertise appointed by the

1 association of early childhood Iowa area boards and advocates.

2 (4) Two representatives of the department of health and
3 human services.

4 (5) One representative of the department of education.

5 (6) One representative of the department of workforce
6 development.

7 (7) One representative of the economic development
8 authority.

9 3. The department of health and human services shall
10 cooperate with any formal request for data from the study
11 committee. All personal identifying information shall be
12 redacted prior to submitting the requested data to the study
13 committee.

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

20 DIVISION VI

21 CONFORMING CHANGES

22 Sec. 26. Section 232.69, subsection 1, paragraph b,
23 subparagraph (5), Code 2026, is amended to read as follows:

24 (5) An employee or operator of a licensed child care center,
25 registered child development home, head start program, family
26 development and self-sufficiency grant program under section
27 216A.107, or healthy opportunities for parents to experience
28 success - healthy families Iowa program under section ~~135.106~~
29 234A.5.

30 Sec. 27. Section 237A.30, subsection 1, Code 2026, is
31 amended to read as follows:

32 1. The department shall ~~work with the early childhood~~
33 ~~Iowa program established in section 256I.5 in designing and~~
34 ~~implementing~~ implement a voluntary quality rating system for
35 each provider type of child care facility.

H-8458 (Continued)

1 Sec. 28. Section 256I.13, subsection 1, Code 2026, is
2 amended to read as follows:

3 1. In order to implement the legislative intent stated
4 in ~~sections 135.106~~ and section 256I.9, that priority for
5 family support program funding be given to programs using
6 evidence-based or promising models for family support, it is
7 the intent of the general assembly that ninety percent of state
8 funds expended for family support programs shall be used for
9 evidence-based or promising program models. The remaining ten
10 percent of funds may be used for innovative program models that
11 do not yet meet the definition of evidence-based or promising
12 programs.

13 DIVISION VII

14 CODE EDITOR DIRECTIVES

15 Sec. 29. CODE EDITOR DIRECTIVES. The Code editor is
16 directed to do all of the following:

17 1. Make changes in any Code sections amended or enacted
18 by any other Act to correspond with the changes made in this
19 Act if there appears to be no doubt as to the proper method of
20 making the changes and the changes would not be contrary to or
21 inconsistent with the purposes of this Act or any other Act.

22 2. Correct internal references in the Code and in enacted
23 legislation as necessary due to the enactment of this Act.>

24 2. Title page, by striking line 1 and inserting <An Act
25 relating to early childhood and family services, including
26 the creation of an early childhood and family services
27 system, making appropriations, convening an early childhood
28 Iowa interim study committee, and including applicability,
29 retroactive applicability, and effective date provisions.>

By WILZ of Wapello

H-8458 FILED MAY 1, 2026

SENATE FILE 639

H-8456

1 Amend Senate File 639, as passed by the Senate, as follows:
2 1. Page 2, line 27, after <in the business court> by
3 inserting <or transferred to the business court if all parties
4 to the action consent in writing to the assignment or transfer
5 of the action to the business court>

By THOMSON of Floyd

H-8456 FILED MAY 1, 2026

SENATE AMENDMENT TO HOUSE AMENDMENT TO
SENATE FILE 2168

H-8453

- 1 Amend the House amendment, S-5187, to Senate File 2168, as
2 amended, passed, and reprinted by the Senate, as follows:
- 3 1. Page 7, line 20, after <84J.> by inserting <This
4 paragraph is repealed July 1, 2030.>
- 5 2. Page 8, by striking lines 29 through 33.
- 6 3. Page 8, line 34, by striking <5.> and inserting <4.>
- 7 4. Page 9, after line 7 by inserting:
8 <Sec. ____ . NEW SECTION. 84J.5 Repeal.
9 This chapter is repealed July 1, 2030.>
- 10 5. Page 10, line 21, by striking <AND HIGH-NEED>
- 11 6. Page 10, line 24, by striking <five> and inserting
12 <three>
- 13 7. Page 10, by striking lines 29 through 31 and inserting
14 <established under section 84A.13, the future ready Iowa
15 skilled workforce last-dollar scholarship program established
16 under section 256.228, the future ready Iowa skilled workforce
17 grant>
- 18 8. Page 11, by striking lines 14 and 15 and inserting
19 <workforce development board may ~~add to~~ update the list
20 of high-demand jobs ~~as it deems necessary~~ sooner than the
21 three-year period provided in this subsection if the update
22 is requested in writing by a representative designated by the
23 community colleges and the workforce development board agrees
24 with the requested update. For purposes of this subsection,>
- 25 9. By striking page 11, line 29, through page 12, line 16.
- 26 10. By striking page 12, line 25, through page 13, line 9.
- 27 11. By striking page 13, line 32, through page 14, line 9.
- 28 12. By renumbering as necessary.

H-8453 FILED MAY 1, 2026

SENATE AMENDMENT TO HOUSE AMENDMENT TO
SENATE FILE 2284

H-8452

1 Amend the House amendment, S-5192, to Senate File 2284, as
2 amended, passed, and reprinted by the Senate, as follows:

3 1. Page 1, line 5, by striking <subsection> and inserting
4 <subsections>

5 2. Page 1, after line 16 by inserting:

6 <NEW SUBSECTION. 3A. "Highway" means as defined in section
7 321.1 and includes a street.

8 Sec. _____. Section 321P.3, Code 2026, is amended by adding
9 the following new subsection:

10 NEW SUBSECTION. 4. a. Except as provided in paragraph
11 "b", a local authority shall not operate more than two mobile
12 systems.

13 *b.* (1) A local authority with a population between ninety
14 thousand and two hundred thousand based on the most recent
15 federal decennial census may operate up to four mobile systems.

16 (2) A city with a population of more than two hundred
17 thousand based on the most recent federal decennial census may
18 operate up to five mobile systems. Notwithstanding section
19 321P.8, a city that operates five mobile systems shall deposit
20 all revenue retained by the city as a result of the use of the
21 mobile system that generates the lowest amount of revenue each
22 month in a fund the city maintains for first responder pension
23 and benefits including but not limited to trust and agency
24 funds, if established pursuant to section 384.6.>

25 _____. Page 2, after line 2 by inserting:

26 <Sec. _____. Section 321P.5, subsection 1, paragraphs b and c,
27 Code 2026, are amended to read as follows:

28 *b.* (1) A local authority shall not operate a mobile
29 automated or remote system for traffic law enforcement unless
30 permanent signs meeting the requirements as specified in the
31 department manual on uniform traffic-control devices and giving
32 notice of the local authority's use of a mobile system within
33 the boundaries of the local authority are posted at every
34 location where a highway enters the boundaries of the local
35 authority.

1 (2) In addition to the required signage under subparagraph
2 (1), a local authority operating a mobile system shall place
3 nonpermanent signs giving notice of the mobile system at least
4 five hundred feet but not more than one thousand feet along the
5 approach of the highway where the mobile system is used. Signs
6 placed pursuant to this subparagraph shall be removed when the
7 mobile system is relocated.

8 c. Signs required under this subsection shall be erected
9 by the local authority at the local authority's expense and,
10 except for signs required under paragraph "b", subparagraph
11 (2), at least thirty days prior to a system enforcing any
12 detected violations. Signs required under this subsection must
13 be illuminated in accordance with the department manual on
14 uniform traffic-control devices.

15 Sec. _____. Section 321P.5, Code 2026, is amended by adding
16 the following new subsections:

17 NEW SUBSECTION. 1A. If a sign is required along the
18 approach of the highway where a system is used, the local
19 authority shall not erect or place the sign at a location
20 that has a different speed limit than the speed limit that is
21 enforced by the system.

22 NEW SUBSECTION. 1B. A local authority that does not hold a
23 valid permit to use an automated or remote system for traffic
24 law enforcement, as required in section 321P.2, shall not erect
25 or place a sign giving notice that a system is used.>>

26 3. Page 1, after line 17 by inserting:

27 <<Sec. _____. Section 321P.8, Code 2026, is amended by adding
28 the following new subsection:

29 NEW SUBSECTION. 3. Notwithstanding subsections 1 and 2, a
30 local authority that operates one or more mobile systems shall
31 deposit one-half of the revenue retained by the local authority
32 as a result of the local authority's use of the mobile systems
33 in accordance with subsections 1 and 2 and one-half of the
34 revenue retained by the local authority as a result of the
35 local authority's use of the mobile systems in a fund the

H-8452 (Continued)

1 local authority maintains for first responder pension and
2 benefits including but not limited to trust and agency funds,
3 if established pursuant to section 384.6. If a city operates
4 five mobile systems, this subsection applies to only the four
5 mobile systems that generate the highest amount of revenues
6 each month.>

7 4. Page 2, by striking line 16 and inserting <authorized
8 under section 321P.20 or 321P.24, as applicable.>

9 5. Page 3, line 4, after <year.> by inserting <A search log
10 maintained pursuant to this subsection is a confidential record
11 under section 22.7.>

12 6. Page 3, by striking lines 13 through 16 and inserting:
13 <3. An entity that maintains a search log shall establish a
14 process to audit the search log and the entity shall audit the
15 search log at least every four months in accordance with the
16 entity's audit process.>

17 7. Page 3, line 29, before <applicable> by inserting <the
18 entity's>

19 8. Page 4, line 2, by striking <a copy of an> and inserting
20 <any>

21 9. Page 4, line 25, by striking <counsel, an insurer, or
22 another person> and inserting <counsel or an insurer>

23 10. Page 5, line 22, by striking <one year> and inserting
24 <two years>

25 11. Page 5, line 24, by striking <one year.> and inserting
26 <two years.>

27 12. Page 5, line 34, by striking <person> and inserting
28 <nongovernmental entity>

29 13. Page 5, line 35, by striking <person's> and inserting
30 <nongovernmental entity's>

31 14. Page 6, after line 2 by inserting:

32 <Sec. ____ . EFFECTIVE DATE.

33 1. The sections of this Act amending section 321P.5 take
34 effect October 1, 2026.

35 2. The sections of this Act enacting sections 321P.20,

H-8452 (Continued)

1 321P.21, 321P.22, 321P.23, 321P.24, 321P.25, and 321P.26 take
2 effect January 1, 2027.

3 3. The section of this Act repealing section 321P.4 takes
4 effect January 1, 2027.>>

5 15. Page 6, by striking lines 3 and 4 and inserting:

6 <____. Title page, lines 2 and 3, by striking <and making
7 penalties applicable.> and inserting <providing penalties, and
8 including effective date provisions.>>

9 16. By renumbering as necessary.

[H-8452](#) FILED MAY 1, 2026

SENATE FILE 2456

H-8463

- 1 Amend Senate File 2456 as follows:
- 2 1. Page 1, by striking line 3 and inserting:
- 3 <1. This section applies to a person that sells a good>
- 4 2. Page 1, line 7, by striking <state:> and inserting
- 5 <state.>
- 6 3. Page 1, by striking lines 8 through 20 and inserting:
- 7 <2. If a total transaction amount, including any taxes,
- 8 ends with one, two, three, four, six, seven, eight, or nine as
- 9 the final digit of the number of cents for the transaction, a
- 10 person may round down the number of cents to the nearest number
- 11 of cents divisible by five.>
- 12 4. Page 1, line 21, by striking <2.> and inserting <3.>

By FISHER of Tama

H-8463 FILED MAY 1, 2026

SENATE FILE 2465

H-8462

1 Amend Senate File 2465, as amended, passed, and reprinted by
2 the Senate, as follows:

3 1. By striking page 13, line 28, through page 19, line 30,
4 and inserting:

5 <PART ____

6 GRAIN DEALERS

7 Sec. ____ . Section 203.3, subsection 4, paragraph b, Code
8 2026, is amended to read as follows:

9 b. (1) The grain dealer shall submit to the department,
10 as required by the department, a financial statement that is
11 accompanied by an unqualified opinion based upon an audit
12 performed by a certified public accountant licensed in this
13 state.

14 (2) Notwithstanding subparagraph (1), if a grain dealer
15 does not purchase grain by credit-sale contract, the department
16 may accept any of the following:

17 (a) A qualification in an opinion based on an audit that
18 is unavoidable by any audit procedure that is permitted under
19 generally accepted accounting principles. An opinion that
20 is qualified because of a limited audit procedure or because
21 the scope of an audit is limited shall not be accepted by the
22 department.

23 (b) A financial statement that is accompanied by the
24 report of a certified public accountant licensed in this
25 state. The report must be based upon a review performed by the
26 certified public accountant. The report shall be in lieu of an
27 unqualified opinion based on an audit. However, at any time,
28 upon good cause, the department may require the grain dealer to
29 submit to the department a subsequent financial statement that
30 is accompanied by the report.

31 (3) The department shall not require ~~that~~ a grain dealer to
32 submit to the department more than one ~~such~~ unqualified opinion
33 based on an audit per year.

34 (4) A grain dealer shall submit one or more financial
35 statements to the department in addition to the financial

1 statement accompanied by an unqualified opinion based on
2 an audit as required in this paragraph if the department
3 determines that it is necessary to verify the grain dealer's
4 financial status or compliance with this section.

5 Sec. _____. Section 203.3, subsection 5, paragraph b, Code
6 2026, is amended to read as follows:

7 b. (1) The grain dealer shall submit to the department,
8 as required by the department, a financial statement that is
9 accompanied by an unqualified opinion based upon an audit
10 performed by a certified public accountant licensed in this
11 state.

12 (2) Notwithstanding subparagraph (1), the department may
13 accept any of the following:

14 (a) A qualification in an opinion based on an audit that
15 is unavoidable by any audit procedure that is permitted under
16 generally accepted accounting principles. An opinion that
17 is qualified because of a limited audit procedure or because
18 the scope of an audit is limited shall not be accepted by the
19 department.

20 (b) A financial statement that is accompanied by the
21 report of a certified public accountant licensed in this
22 state. The report must be based upon a review performed by the
23 certified public accountant. The report shall be in lieu of an
24 unqualified opinion based on an audit. However, at any time,
25 upon good cause, the department may require the grain dealer to
26 submit to the department a subsequent financial statement that
27 is accompanied by the report.

28 (3) The department shall not require that a grain dealer to
29 submit to the department more than one such unqualified opinion
30 based on an audit per year.

31 (4) A grain dealer shall submit one or more financial
32 statements to the department in addition to the financial
33 statement accompanied by an unqualified opinion based on an
34 audit required in this paragraph if the department determines
35 that it is necessary to verify the grain dealer's financial

1 status or compliance with this section.

2 Sec. _____. Section 203.8, subsection 2, paragraph a, Code
3 2026, is amended to read as follows:

4 a. (1) ~~“Delivery”~~ Subject to subparagraph (2), “delivery”
5 means the transfer of title to and possession of grain by a
6 seller to a grain dealer or to another person in accordance
7 with the terms of an agreement of by the seller and the grain
8 dealer.

9 (2) Unless title to grain was previously transferred
10 pursuant to an ordinary cash-sale contract, title to grain sold
11 by credit-sale contract is deemed to have transferred to the
12 grain dealer when all of the following occurs:

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

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

18 Sec. _____. Section 203.12, subsection 1, Code 2026, is
19 amended to read as follows:

20 1. Upon the cessation of a grain dealer license ~~by~~
21 ~~revocation, cancellation, or expiration~~ pursuant to section
22 203.10 or upon the filing of a petition in bankruptcy by a
23 grain dealer, any claim for the purchase price of grain against
24 the grain dealer shall be made in writing and filed with the
25 grain dealer and with the issuer of a deficiency bond or of an
26 irrevocable letter of credit and with the department within
27 one hundred twenty days after the date of the cessation or the
28 filing of a petition in bankruptcy, whichever occurs earlier.

29 A failure to make this timely claim relieves the issuer and the
30 grain depositors and sellers indemnity fund provided in chapter
31 203D of all obligations to the claimant.

32 Sec. _____. Section 203.12A, subsection 5, Code 2026, is
33 amended to read as follows:

34 5. The Iowa grain indemnity fund board, upon written demand
35 of the grain dealer, shall file a termination statement with

1 the secretary of state, if after one hundred eighty days from
2 the date that the lien is perfected the grain dealer's license
3 has not ceased ~~by revocation, cancellation, or expiration~~
4 pursuant to section 203C.10. Upon filing the termination
5 statement, the lien becomes unperfected. The board shall
6 also deliver a copy of the termination statement to the grain
7 dealer.

8 PART ____
9 GRAIN OPERATORS

10 Sec. ____ . Section 203C.6, subsection 4, paragraph b, Code
11 2026, is amended to read as follows:

12 b. (1) The warehouse operator shall submit to the
13 department, as required by the department, a financial
14 statement that is accompanied by an unqualified opinion based
15 upon an audit performed by a certified public accountant
16 licensed in this state.

17 (2) Notwithstanding subparagraph (1), the department may
18 accept any of the following:

19 (a) A qualification in an opinion based on an audit that
20 is unavoidable by any audit procedure that is permitted under
21 generally accepted accounting principles. An opinion that
22 is qualified because of a limited audit procedure or because
23 the scope of an audit is limited shall not be accepted by the
24 department.

25 (b) A financial statement that is accompanied by the
26 report of a certified public accountant licensed in this
27 state. The report must be based upon a review performed by
28 the certified public accountant. The report shall be in lieu
29 of an unqualified opinion based on an audit. However, at any
30 time, upon good cause, the department may require the warehouse
31 operator to submit to the department a subsequent financial
32 statement that is accompanied by the report.

33 (3) The department shall not require ~~that~~ a warehouse
34 operator to submit to the department more than one ~~such~~
35 unqualified opinion based on an audit per year.

1 (4) A warehouse operator shall submit one or more financial
2 statements to the department in addition to the financial
3 statement accompanied by an unqualified opinion based on
4 an audit as required in this paragraph if the department
5 determines that it is necessary to verify the warehouse
6 operator's financial status or compliance with this section.

7 Sec. ____ . Section 203C.6, subsection 5, paragraph b, Code
8 2026, is amended to read as follows:

9 b. (1) The warehouse operator shall submit to the
10 department, as required by the department, a financial
11 statement that is accompanied by an unqualified opinion based
12 upon an audit performed by a certified public accountant
13 licensed in this state.

14 (2) Notwithstanding subparagraph (1), the department may
15 accept any of the following:

16 (a) A qualification in an opinion based on an audit that
17 is unavoidable by any audit procedure that is permitted under
18 generally accepted accounting principles. An opinion that
19 is qualified because of a limited audit procedure or because
20 the scope of an audit is limited shall not be accepted by the
21 department.

22 (b) A financial statement that is accompanied by the
23 report of a certified public accountant licensed in this
24 state. The report must be based upon a review performed by
25 the certified public accountant. The report shall be in lieu
26 of an unqualified opinion based on an audit. However, at any
27 time, upon good cause, the department may require the warehouse
28 operator to submit to the department a subsequent financial
29 statement that is accompanied by the report.

30 (3) The department shall not require ~~that~~ a warehouse
31 operator to submit more than one ~~such~~ unqualified opinion based
32 on an audit per year.

33 (4) A warehouse operator shall submit one or more financial
34 statements to the department in addition to the financial
35 statement accompanied by an unqualified opinion based on

1 an audit as required in this paragraph if the department
2 determines that it is necessary to verify the warehouse
3 operator's financial status or compliance with this section.

4 Sec. _____. Section 203C.12A, subsection 5, Code 2026, is
5 amended to read as follows:

6 5. The Iowa grain indemnity fund board shall upon written
7 demand of the warehouse operator file a termination statement
8 with the secretary of state, if after one hundred eighty
9 days from the date that the lien is perfected the warehouse
10 operator's license has not ceased ~~by revocation, cancellation,~~
11 ~~or expiration~~ pursuant to section 203C.10. Upon filing the
12 termination statement, the lien becomes unperfected. The board
13 shall also deliver a copy of the termination statement to the
14 warehouse operator.

15 Sec. _____. Section 203C.14, subsection 2, paragraphs a and c,
16 Code 2026, are amended to read as follows:

17 a. Upon the cessation of a warehouse operator's license ~~due~~
18 ~~to revocation, cancellation, or expiration~~ pursuant to section
19 203C.10 or upon the filing of a petition in bankruptcy by a
20 warehouse operator, a claim against the warehouse operator
21 arising under this chapter shall be made in writing with the
22 warehouse operator, with the issuer of a bond on agricultural
23 products other than bulk grain, a deficiency bond, or an
24 irrevocable letter of credit, and, if the claim relates to bulk
25 grain, with the department. The claim must be made within one
26 hundred twenty days after the cessation of the license or the
27 filing of a petition in bankruptcy, whichever occurs earlier.
28 The failure to make a timely claim relieves the issuer and,
29 if the claim relates to bulk grain, the grain depositors
30 and sellers indemnity fund provided in chapter 203D of all
31 obligations to the claimant.

32 c. This subsection does not apply if a receiver is appointed
33 as provided in this chapter pursuant to a petition ~~which~~ that
34 is filed by the department prior to the expiration of one
35 hundred twenty days after cessation of a warehouse operator's

H-8462 (Continued)

1 license pursuant to section 203C.10.

2 Sec. _____. Section 203C.18, subsection 3, Code 2026, is
3 amended to read as follows:

4 3. A form for a warehouse receipt shall only be printed by
5 a person approved by the department. A form for a warehouse
6 receipt shall be printed in accordance with specifications set
7 forth by the department. A warehouse operator shall surrender
8 to the department all forms for warehouse receipts that are
9 unused at the time that the warehouse operator's license
10 is suspended or ceases ~~due to revocation, cancellation, or~~
11 ~~expiration~~ pursuant to section 203C.10. The warehouse operator
12 shall surrender the warehouse receipts in a manner required by
13 the department.>

14 2. By renumbering as necessary.

By COMMITTEE ON WAYS AND MEANS
NORDMAN of Dallas, Chairperson

H-8462 FILED MAY 1, 2026



Fiscal Note

Fiscal Services Division



[SF 2168](#) – Reemployment Case Management and Unemployment Insurance Processing (LSB5501SV.3)

Staff Contact: Evan Johnson (515.281.6301) evan.johnson@legis.iowa.gov

Fiscal Note Version – As amended by Senate amendment [H-8453](#) to House amendment [S-5187](#)

Description

[Senate File 2168](#) as amended by Senate amendment [H-8453](#) to House amendment [S-5187](#) relates to workforce programs. The Bill as amended has 11 divisions.

The following divisions of the Bill as amended have minimal fiscal impacts:

- Division I — Iowa Registered Apprenticeship Act
- Division II — Iowa Plumber, Mechanical Professional, and Contractor Licensing Act — Apprenticeships
- Division IV — Career Training Physical Expansion Program
- Division V — Apprenticeship Training in School Districts
- Division VI — High-Demand Jobs and Scholarship Eligibility
- Division VII — Career and Technical Secondary Authorizations
- Division IX — Summer Youth Intern Pilot Program — Repeal
- Division X — Membership of Workforce Development Board

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

- Division III — Iowa Apprenticeship Act
- Division VIII — Reemployment Case Management Program
- Division XI — Unemployment Compensation Reserve Fund — Transfer to Unemployment Trust Fund

Division III — Iowa Apprenticeship Act

Description

Division III of the Bill as amended adds intermediary sponsors as an entity eligible to provide apprenticeship training under Iowa Code chapter [84E](#). An apprenticeship sponsor whose apprentices receive contact hours from a lead apprenticeship sponsor is not eligible for financial assistance.

The Division increases a standing appropriation from the Workforce Development Fund (WDF) Account to the Apprenticeship Training Program Fund from \$3.0 million to \$4.5 million beginning in FY 2027. The Division also increases the maximum transfer of [260E](#) withholding payments to the WDF Account from \$7.8 million to \$9.3 million.

Background

Under the 260E Program, a participating business partners with a community college, which sells bonds to finance the cost of training for new employee positions. The business diverts

1.5% of gross payroll from the State withholding taxes generated by the new positions to the community college to retire the bonds.

After the training obligation of a business under the 260E Program has been paid off, an amount equal to the withholding payments is credited to the WDF Account for 10 years, up to a maximum of \$7.8 million annually. Moneys in the WDF Account are appropriated to Iowa Workforce Development (IWD) to be used for apprenticeship training and job training.

Assumptions

Participation in the 260E Program will not change during the projection period.

Fiscal Impact

Division III of the Bill as amended increases the annual standing appropriation from the WDF Account to the Apprenticeship Training Program Fund from \$3.0 million to \$4.5 million. The Division also increases the maximum transfer from the 260E withholding payments to the WDF Account from \$7.8 million to \$9.3 million.

Division VIII — Reemployment Case Management Program

Description

Division VIII of the Bill as amended codifies the Reemployment Case Management (RCM) Program and requires an individual to participate in the RCM Program in order to receive unemployment insurance benefits. The RCM Program provides individualized reemployment services to unemployment insurance claimants who are no longer attached to work. The Division requires IWD to adopt administrative rules regarding participation in the RCM Program.

Background

The RCM Program was created in January 2022 and has been operated using federal COVID-19 funds that must be expended by December 31, 2026. In FY 2025, approximately 19.0 full-time equivalent (FTE) positions were used to operate the RCM Program.

Assumptions

- Federal funds will be used to operate the RCM Program through December 31, 2026. State funding will not be used for the RCM Program during the first half of FY 2027.
- A funding source for operations beyond December 31, 2026, is not identified in the Bill as amended.
- Use of the unemployment insurance system and the RCM Program will not change during the projection period.
- The RCM Program created in the Bill as amended will be significantly similar to the RCM Program currently operated by IWD.
- It is assumed that 19.0 FTE positions will continue to be used to operate the RCM Program beyond FY 2025.

Fiscal Impact

Division VIII of the Bill as amended is estimated to increase expenses to IWD by approximately \$1.0 million in FY 2027 and by \$2.0 million in each subsequent fiscal year.

Division XI — Unemployment Compensation Reserve Fund — Transfer to Unemployment Trust Fund

Description

Division XI of the Bill as amended amends 2024 Iowa Acts, chapter [1162](#) (Work-Based Learning Act), by transferring any remaining unencumbered or unobligated moneys in the [Unemployment Compensation Reserve Fund \(Reserve Fund\)](#) to the [Unemployment Compensation Trust Fund \(Trust Fund\)](#) on July 1, 2026. Interest earned on moneys in the Reserve Fund will be transferred to the [Special Employment Security Contingency Fund](#) on July 1, 2026.

Background

The balance of the Reserve Fund is \$166.4 million as of March 6, 2026. 2024 Iowa Acts, chapter 1162, originally transferred moneys in the Reserve Fund to the following destinations:

- \$30.0 million to the Workforce Opportunity Fund.
- Any interest earned to the Special Employment Security Contingency Fund.
- Any remaining unencumbered or unobligated moneys to the Trust Fund.

Assumptions

- The balance of the Reserve Fund will not change between March 6, 2026, and July 1, 2026.
- The Reserve Fund balance is unencumbered or unobligated.
- The total interest earned that will be transferred includes interest earned in prior fiscal years.

Fiscal Impact

Division XI of the Bill as amended is estimated to transfer \$149.9 million to the Trust Fund and \$16.5 million to the Special Employment Security Contingency Fund from the Reserve Fund on July 1, 2026.

Sources

Iowa Workforce Development
State Accounting System
Legislative Services Agency analysis

/s/ Jennifer Acton

May 1, 2026

Doc ID 1605014

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.
