



KIM REYNOLDS  
GOVERNOR

**OFFICE OF THE GOVERNOR**

CHRIS COURNOYER  
LT GOVERNOR

June 02, 2026

The Honorable Paul Pate  
Secretary of State of Iowa  
State Capitol  
Des Moines, Iowa 50319

Dear Mr. Secretary,

I hereby transmit:

House File 2768, an Act relating to and making appropriations for state government administration and regulation, including the department of administrative services, auditor of state, ethics and campaign disclosure board, offices of governor and lieutenant governor, department of inspections, appeals, and licensing, department of insurance and financial services, department of management, Iowa public employees' retirement system, public information board, department of revenue, secretary of state, treasurer of state, and utilities commission.

The above House File is hereby approved on this date.

Sincerely,

A handwritten signature in black ink that reads "Kim Reynolds".

Kim Reynolds  
Governor of Iowa

cc: Secretary of the Senate  
Clerk of the House



House File 2768

AN ACT

RELATING TO AND MAKING APPROPRIATIONS FOR STATE GOVERNMENT ADMINISTRATION AND REGULATION, INCLUDING THE DEPARTMENT OF ADMINISTRATIVE SERVICES, AUDITOR OF STATE, ETHICS AND CAMPAIGN DISCLOSURE BOARD, OFFICES OF GOVERNOR AND LIEUTENANT GOVERNOR, DEPARTMENT OF INSPECTIONS, APPEALS, AND LICENSING, DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES, DEPARTMENT OF MANAGEMENT, IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM, PUBLIC INFORMATION BOARD, DEPARTMENT OF REVENUE, SECRETARY OF STATE, TREASURER OF STATE, AND UTILITIES COMMISSION.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

FY 2026-2027 APPROPRIATIONS

Section 1. DEPARTMENT OF ADMINISTRATIVE SERVICES.

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

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

.....	\$	3,602,306
.....	FTEs	50.00

b. For the payment of utility costs, and for not more than the following full-time equivalent positions:

.....	\$	4,487,598
.....	FTEs	1.00

Notwithstanding section 8.33, moneys appropriated for utility costs in this lettered paragraph that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

c. For Terrace Hill operations, and for not more than the following full-time equivalent positions:

.....	\$	460,884
.....	FTEs	4.37

d. For state library services:

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

.....	\$	2,626,613
.....	FTEs	19.00

(2) For the enrich Iowa program established under section 8A.209:

.....	\$	2,464,823
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e. (1) For support of the state's historical resources, and for not more than the following full-time equivalent positions:

.....	\$	3,804,774
.....	FTEs	37.00

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

f. For administration and support of the state's historic sites, and for not more than the following full-time equivalent positions:

.....	\$	425,751
.....	FTEs	3.00

2. Any moneys and premiums collected by the department for workers' compensation shall be segregated into a separate workers' compensation fund in the state treasury to be used

for payment of state employees' workers' compensation claims and administrative costs. Notwithstanding section 8.33, unencumbered or unobligated moneys remaining in this workers' compensation fund at the end of the fiscal year shall not revert but shall remain available for expenditure for purposes of the fund in subsequent fiscal years.

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

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

Sec. 4. AUDITOR OF STATE.

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

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

.....	\$	1,002,686
.....	FTEs	98.00

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

of state shall notify the department of management, the legislative fiscal committee, and the legislative services agency of the additional full-time equivalent positions retained.

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

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

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

.....	\$	1,045,432
.....	FTEs	7.00

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

1. GENERAL OFFICE

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

.....	\$	2,864,932
.....	FTEs	25.00

2. TERRACE HILL QUARTERS

For the governor's quarters at Terrace Hill, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	144,222
.....	FTEs	2.00

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

1. ADMINISTRATION DIVISION

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

.....	\$	808,285
.....	FTEs	11.55

2. ADMINISTRATIVE HEARINGS DIVISION

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

.....	\$	654,983
.....	FTEs	23.00

3. INVESTIGATIONS

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

.....	\$	2,769,231
.....	FTEs	56.00

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

4. HEALTH FACILITIES

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

.....	\$	6,206,128
.....	FTEs	132.00

b. The department shall make all of the following

information available to the public as part of the department's development efforts to revise the department's internet site:

(1) The number of inspections of health facilities conducted by the department annually by type of service provider and type of inspection.

(2) The total annual operations budget for the department that is associated with health facilities regulation, including general fund appropriations and federal contract dollars received by type of service provider inspected.

(3) The total number of full-time equivalent positions in the department that are associated with health facilities regulation, to include the number of full-time equivalent positions serving in a supervisory capacity, and serving as surveyors, inspectors, or monitors in the field by type of service provider inspected.

(4) Identification of state and federal survey trends, cited regulations, the scope and severity of deficiencies identified, and federal and state fines assessed and collected concerning nursing and assisted living facilities and programs.

c. It is the intent of the general assembly that the department continuously solicit input from health facilities regulated by the department to assess and improve the department's level of collaboration and to identify new opportunities for cooperation.

5. EMPLOYMENT APPEAL BOARD

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

.....	\$	510,782
.....	FTEs	11.00

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

c. The employment appeal board may temporarily exceed and

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

6. IOWA OFFICE OF CIVIL RIGHTS

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

.....	\$	1,538,921
.....	FTEs	30.00

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

7. LABOR SERVICES

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

.....	\$	2,965,719
.....	FTEs	50.00

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

8. DIVISION OF WORKERS' COMPENSATION

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

.....	\$	3,381,044
.....	FTEs	26.00

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

9. PROFESSIONAL LICENSING

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

equivalent positions:

.....	\$	1,627,969
.....	FTEs	139.00

10. APPROPRIATION REALLOCATION

Notwithstanding section 8.39, the department of inspections, appeals, and licensing, in consultation with the department of management, may reallocate moneys appropriated in this section as necessary to best fulfill the needs of the department of inspections, appeals, and licensing provided for in the appropriation. However, the department of inspections, appeals, and licensing shall not reallocate moneys appropriated for labor services or the division of workers' compensation.

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

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

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

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

4. From the fees collected by the department under this section, other than those fees described in subsections 2 and 3, the department shall retain the remainder of the fees for the purposes of enforcing the provisions of chapters 99B, 137C, 137D, and 137F. Notwithstanding section 8.33, moneys retained by the department pursuant to this subsection that remain

unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes of enforcing the provisions of chapters 99B, 137C, 137D, and 137F during the succeeding fiscal year. The department shall provide an annual report to the department of management and the legislative services agency on fees billed and collected and expenditures from the moneys retained by the department in a format determined by the department of management in consultation with the legislative services agency.

Sec. 9. DEPARTMENT OF INSPECTIONS, APPEALS, AND LICENSING — RACING AND GAMING COMMISSION — RACING AND GAMING REGULATION. There is appropriated from the gaming regulatory revolving fund created in section 99F.20 to the racing and gaming commission of the department of inspections, appeals, and licensing for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes for regulation, administration, and enforcement of pari-mutuel racetracks, excursion boat gambling, gambling structure laws, sports wagering, and fantasy sports contests, and for not more than the following full-time equivalent positions:

..... \$ 8,049,999  
..... FTEs 57.70

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

For salaries, support, maintenance, and miscellaneous purposes:

..... \$ 1,623,897

Sec. 11. DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES — COMMERCE REVOLVING FUND. There is appropriated from the commerce revolving fund created in section 546.12 to the

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

1. BANKING DIVISION

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

.....	\$ 14,881,690
.....	FTEs 79.00

2. CREDIT UNION DIVISION

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

.....	\$ 3,018,710
.....	FTEs 16.00

3. INSURANCE DIVISION

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

.....	\$ 11,010,719
.....	FTEs 131.85

b. The insurance division expenditures for examination purposes may exceed the projected receipts, refunds, and reimbursements, estimated pursuant to section 505.7, subsection 7, including the expenditures for retention of additional personnel, if the expenditures are fully reimbursable and the division first does all of the following:

(1) Notifies the department of management, the legislative services agency, and the legislative fiscal committee of the need for the expenditures.

(2) Files with each of the entities named in subparagraph (1) the legislative and regulatory justification for the expenditures, along with an estimate of the expenditures.

Sec. 12. DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES — GENERAL FUND. There is appropriated from the general fund of the state to the department of insurance and financial services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary,

to be used for the purposes designated:

For deposit in the captive insurance regulatory and supervision fund created in section 521J.12 for use as provided in section 521J.12, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	450,000
.....	FTEs	2.00

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

1. For enterprise resource planning, providing for a salary model administrator, conducting performance audits, the department's LEAN process, and criminal and juvenile justice planning; for salaries, support, maintenance, and miscellaneous purposes; and for not more than the following full-time equivalent positions:

.....	\$	3,666,154
.....	FTEs	29.00

2. a. For the division of information technology; for salaries, support, maintenance, and miscellaneous purposes; and for not more than the following full-time equivalent positions:

.....	\$	4,421,887
.....	FTEs	24.39

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

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

1. There is appropriated to the department of management for the fiscal year beginning July 1, 2026, and ending June 30, 2027, from the revolving funds designated in chapter 8, subchapter XI, and from internal service funds created under section 8.92, such amounts as the department deems necessary for the operation of the department pursuant to and consistent with the requirements of chapter 8, subchapter XI.

2. a. Notwithstanding section 321A.3, subsection 1, for the

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

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

Sec. 15. DEPARTMENT OF MANAGEMENT — ROAD USE TAX FUND. There is appropriated from the road use tax fund created in section 312.1 to the department of management for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes:  
..... \$ 56,000

Sec. 16. IPERS — GENERAL OFFICE. There is appropriated from the Iowa public employees' retirement fund created in section 97B.7 to the Iowa public employees' retirement system for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and other operational purposes to pay the costs of the Iowa public employees' retirement system, and for not more than the following full-time equivalent positions:  
..... \$ 26,330,702  
..... FTEs 110.00

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

designated:

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

.....	\$	496,227
.....	FTEs	4.00

Sec. 18. DEPARTMENT OF REVENUE.

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

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

.....	\$	15,349,678
.....	FTEs	166.66

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

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

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

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

.....	\$	1,305,775
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Sec. 20. SECRETARY OF STATE. There is appropriated from the general fund of the state to the office of the secretary of state for the fiscal year beginning July 1, 2026, and ending

June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION AND ELECTIONS

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

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

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

2. BUSINESS SERVICES

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

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

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

For salaries, support, maintenance, and miscellaneous purposes:

.....	\$	195,400
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Sec. 22. SECRETARY OF STATE FILING FEES REFUND.

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

Sec. 23. TREASURER OF STATE.

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

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

..... \$ 1,046,415  
..... FTEs 28.00

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

..... \$ 200,000

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

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

For enterprise resource management costs related to the distribution of road use tax fund moneys:

..... \$ 316,788

Sec. 25. IOWA UTILITIES COMMISSION.

1. There is appropriated from the commerce revolving fund created in section 546.12 to the Iowa utilities commission for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 12,080,831  
..... FTEs 80.00

2. The Iowa utilities commission may expend additional

moneys, including moneys for additional personnel, if those additional expenditures are actual expenses which exceed the moneys budgeted for utility regulation and the expenditures are fully reimbursable. Before the commission expends or encumbers an amount in excess of the moneys budgeted for regulation, the commission shall first do all of the following:

a. Notify the department of management, the legislative services agency, and the legislative fiscal committee of the need for the expenditures.

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

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

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

Sec. 28. LIMITATION OF STANDING APPROPRIATION. Notwithstanding the standing appropriation in the following designated section for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the amount appropriated from the general fund of the state pursuant to that section for the following designated purpose shall not exceed the following amount:

For the enforcement of chapter 453D relating to tobacco product manufacturers under section 453D.8:  
..... \$ 17,525

DIVISION II  
DEPOSIT OF CERTAIN FEES

Sec. 29. Section 10A.519, subsection 3, Code 2026, is amended by adding the following new paragraph:

NEW PARAGRAPH. *c.* The fees collected by the director under this subsection shall be deposited in the licensing and regulation fund created in section 10A.507.

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

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

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

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

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

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

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

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

1. Moneys collected pursuant to section 90A.9 from a professional boxing event are ~~appropriated to the department of inspections, appeals, and licensing and shall be used by the commissioner to award grants to organizations that promote amateur boxing matches in this state~~ deposited in the licensing and regulation fund created in section 10A.507. All other moneys collected by the commissioner pursuant to this chapter are appropriated to the department of inspections, appeals, and licensing and shall be used by the commissioner to administer this chapter. Section 8.33 applies only to moneys in excess of the first twenty thousand dollars appropriated each fiscal year.

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

**99B.58 Electrical or mechanical amusement devices — special fund deposit of fees.**


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

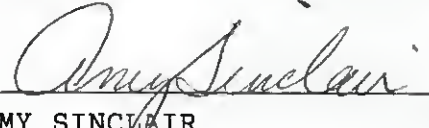
Sec. 34. Section 505.7, subsection 3, Code 2026, is amended to read as follows:

3. ~~Forty percent of the nonexamination~~ Nonexamination revenues payable to the division of insurance or the department of revenue in connection with the regulation of insurance companies or other entities subject to the regulatory


jurisdiction of the division shall be deposited in the commerce revolving fund created in section 546.12 and shall be subject to annual appropriation to the division for its operations and is also subject to expenditure under subsection 6. ~~The remaining~~ Unobligated nonexamination revenues payable to the division of insurance or the department of revenue shall may be deposited in the general fund of the state.

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

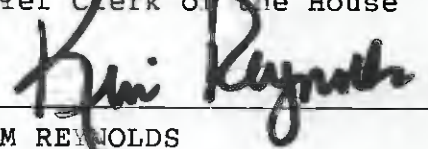
  
\_\_\_\_\_  
PAT GRASSLEY  
Speaker of the House

  
\_\_\_\_\_  
AMY SINCLAIR  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2768, Ninety-first General Assembly.

  
\_\_\_\_\_  
MEGHAN NELSON  
Chief Clerk of the House

Approved June 2<sup>nd</sup>, 2026

  
\_\_\_\_\_  
KIM REYNOLDS  
Governor