

House File 1028 - Introduced

HOUSE FILE 1028
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HF 756)
(SUCCESSOR TO HSB 72)

A BILL FOR

1 An Act relating to matters under the purview of the department of
2 management, making appropriations, and including applicability
3 provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 8.57C, subsections 2, 3, and 4, Code 2025,
2 are amended to read as follows:

3 2. Moneys in the fund ~~in a fiscal year shall be~~
4 ~~used as appropriated by the general assembly for the~~
5 ~~acquisition of computer hardware and software, software~~
6 ~~development, telecommunications equipment, and maintenance and~~
7 ~~lease agreements associated with technology components and for~~
8 ~~the purchase of equipment intended to provide an uninterruptible~~
9 ~~power supply~~ are appropriated to the department of management
10 to provide a stable funding source for implementation costs of
11 state information technology projects that enhance the state's
12 technology infrastructure, improve government services, and
13 promote innovation and economic development, including but not
14 limited to new information technology projects and infrastructure
15 replacement efforts of a department or establishment.

16 α. The department shall prioritize proposed projects based on
17 all of the following considerations:

18 (1) Whether the project aligns with the state's strategic
19 priorities.

20 (2) Whether the project promotes or introduces new technology
21 or significantly improves an existing system.

22 (3) Whether the project is feasible and whether the
23 department or establishment has established readiness for the
24 project to proceed, including a clear assessment of timelines,
25 budgets, and measurable outcomes.

26 (4) Whether the project includes a clear change management
27 strategy to support user adoption and aligns with lean enterprise
28 principles to maximize value, minimize waste, and ensure
29 continuous improvement.

30 (5) Whether the project provides a positive return on
31 investment, considering both financial returns and nonfinancial
32 benefits such as improved public safety, education, or health
33 care.

34 (6) Whether the project results in infrastructure that is
35 scalable across the state enterprise.

1 (7) Whether the department or establishment has identified
2 how the completed project will be sustained beyond the initial
3 funding period.

4 (8) Whether the project improves access to governmental
5 services, particularly in rural communities.

6 (9) Whether the project involves an infrastructure project
7 as opposed to maintenance or standard upgrades of existing
8 technology.

9 b. The department shall provide a prioritized list of
10 proposed projects for funding to the governor, who shall use the
11 list in developing a budgetary recommendation for the general
12 assembly pursuant to section 8.21.

13 3. a. There is appropriated from the general fund of the
14 state to the technology reinvestment fund for the fiscal year
15 beginning July 1, 2025, and for each subsequent fiscal year
16 thereafter, the sum of seventeen million five hundred thousand
17 dollars.

18 ~~b. There is appropriated from the rebuild Iowa infrastructure~~
19 ~~fund for the fiscal year beginning July 1, 2023, and ending~~
20 ~~June 30, 2024, the sum of eighteen million three hundred~~
21 ~~ninety thousand two hundred ninety dollars to the technology~~
22 ~~reinvestment fund, notwithstanding section 8.57, subsection 3,~~
23 ~~paragraph "c".~~

24 ~~c. There is appropriated from the rebuild Iowa infrastructure~~
25 ~~fund for the fiscal year beginning July 1, 2024, and ending June~~
26 ~~30, 2025, the sum of twenty-one million one hundred thirty-one~~
27 ~~thousand eight hundred seventy-three dollars to the technology~~
28 ~~reinvestment fund, notwithstanding section 8.57, subsection 3,~~
29 ~~paragraph "c".~~

30 b. Notwithstanding section 8.33, moneys in the fund that
31 remain unencumbered or unobligated at the close of a fiscal
32 year shall not revert but shall remain available for expenditure
33 for the purposes designated. Notwithstanding section 12C.7,
34 subsection 2, interest or earnings on moneys in the fund shall
35 be credited to the fund.

1 4. ~~Annually, on~~ On or before January 15 of each year, a
 2 ~~state agency that received an appropriation from this fund the~~
 3 ~~department of management~~ shall report to the ~~legislative services~~
 4 ~~agency and the department of management~~ general assembly the
 5 status of all projects funded under this section that have been
 6 completed since the previous report was submitted or that are in
 7 progress. The report shall must include a description of the
 8 project, the progress of work completed, the total estimated cost
 9 of the project, a list of all revenue sources being used to fund
 10 the project, the amount of ~~funds~~ moneys expended, the amount of
 11 ~~funds~~ moneys obligated, and the date the project was completed or
 12 an estimated completion date of the project, where applicable.

13 Sec. 2. Section 8.78, Code 2025, is amended to read as
 14 follows:

15 **8.78 Background checks.**

16 An applicant for employment with the department, or an
 17 applicant for employment with a supported entity for a position
 18 as information technology staff, may be subject to a background
 19 investigation by the department. The background investigation
 20 may include, without limitation, a work history, financial
 21 review, request for criminal history data, and national criminal
 22 history check through the federal bureau of investigation.
 23 In addition, a contractor, vendor, employee, or any other
 24 individual performing work for the department, or an individual
 25 on the information technology staff of a supported entity, may
 26 be subject to a national criminal history check through the
 27 federal bureau of investigation at least once every ~~ten~~ five
 28 years, including, without limitation, any time the department or
 29 supported entity has reason to believe an individual has been
 30 convicted of a crime. The department may request the national
 31 criminal history check and, if requested, shall provide the
 32 individual's fingerprints to the department of public safety for
 33 submission through the state criminal history repository to the
 34 federal bureau of investigation. The individual shall authorize
 35 release of the results of the national criminal history check

1 to the department and the applicable supported entity. The
2 department shall pay the actual cost of the fingerprinting and
3 national criminal history check, if any, unless otherwise agreed
4 as part of a contract between the department or supported entity
5 and a vendor or contractor performing work for the department
6 or supported entity. The results of a criminal history check
7 conducted pursuant to this section shall not be considered a
8 public record under chapter 22.

9 Sec. 3. NEW SECTION. **8.94 Contracts — prohibited terms.**

10 Provisions included in a contract entered into pursuant to
11 this subchapter that impose terms or conditions prohibited by
12 this section are void as contrary to public policy. Such a
13 contract shall be interpreted and enforced as if the contract did
14 not include the prohibited terms or conditions. Prohibited terms
15 and conditions include all of the following:

16 1. A provision requiring the department or a supported entity
17 to defend, indemnify, hold harmless another person, or otherwise
18 assume the debt or liability of another person in violation of
19 Article VII, section 1, of the Constitution of the State of Iowa.

20 2. A provision that seeks to impose a term that is unknown
21 to the department or supported entity at the time of signing the
22 contract or that can be unilaterally changed by an entity other
23 than the department or a supported entity.

24 3. A provision that violates chapter 13 by not allowing
25 the department or a supported entity to participate in its own
26 defense through representation by the attorney general.

27 4. A provision that grants to a person other than the
28 attorney general the authority to convey to a court or litigant
29 the state's consent to any settlement of a suit involving the
30 contract when such settlement could impose liability on the
31 state.

32 5. A provision that specifies that the contract is governed
33 by the laws of a foreign state or nation.

34 6. A provision that claims blanket confidentiality of the
35 contract's terms.

1 7. A provision that claims that payment terms, including but
2 not limited to cost proposals or other pricing information, of
3 the contract are confidential.

4 8. A provision that authorizes or requires a venue for
5 litigation other than an appropriate state or federal court
6 sitting in Iowa.

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

10 10. A provision that imposes on the department or a supported
11 entity binding arbitration or any other binding extrajudicial
12 dispute resolution process in which the final resolution is not
13 determined by the state.

14 11. A provision that waives the department's or a supported
15 entity's right to a jury trial.

16 12. A provision that obligates the department or a supported
17 entity to pay late payment charges not consistent with section
18 8A.514, interest greater than allowed under section 8A.514 or
19 other applicable law, or any cancellation charges, as such
20 charges constitute pledges of the state's credit.

21 13. A provision that obligates the department or a supported
22 entity to pay a tax.

23 14. A provision that imposes a prior notice obligation on the
24 department or a supported entity as a condition for the automatic
25 renewal of a software license. The department or a supported
26 entity may provide notice of its intent to terminate a software
27 license at any time before the renewal date established in the
28 contract.

29 15. A provision that obligates the department or a supported
30 entity to accept risk of loss before the receipt of items or
31 goods.

32 16. A provision that obligates the department or a supported
33 entity to have commercial insurance.

34 17. A provision that obligates the department or a supported
35 entity to grant to a nongovernmental entity full or partial

1 ownership of intellectual property developed pursuant to the
2 contract when the intellectual property is developed in whole or
3 in part using federal funding.

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

7 19. A boilerplate provision included in transactional
8 documents received by the department or a supported entity that
9 seeks to alter the terms of the contract or to impose new terms
10 in the contract.

11 Sec. 4. NEW SECTION. **8.95 Contracts — required terms.**

12 All of the following provisions shall be deemed to be included
13 in a contract entered into by the department or a supported
14 entity under this subchapter:

15 1. *Governing law.* The contract shall be governed by the laws
16 of the state of Iowa, without giving effect to any conflicts of
17 law principles of Iowa law that may require the application of
18 another jurisdiction's law.

19 2. *Venue.* Any litigation commenced in connection with the
20 contract shall be brought and maintained in an appropriate state
21 or federal court sitting in Iowa.

22 Sec. 5. NEW SECTION. **8.96 Contracts — limitation of
23 liability — prohibited terms.**

24 Notwithstanding section 8A.311, subsection 22, and rules
25 adopted pursuant to that subsection, the director may include
26 a contractual limitation of vendor liability in information
27 technology goods and services contracts. A contractual
28 limitation of vendor liability must take into consideration
29 the public interest and the mitigation of risks associated
30 with the use of information technology goods or services.
31 Any portion of a contractual limitation of vendor liability
32 that includes a repudiation of all liability for cybersecurity
33 incidents or a limitation on the vendor's liability for
34 intentional torts, criminal acts, fraudulent conduct, intentional
35 or willful misconduct, gross negligence, death, bodily injury,

1 damage to real or personal property, intellectual property
2 violations, liquidated damages, compliance with applicable
3 laws, violations of confidential information obligations,
4 or contractual obligations of the vendor pertaining to
5 indemnification shall be void as a matter of law as contrary
6 to public policy. A contractual limit of vendor liability that
7 does not apply equally to the contracted parties or that limits
8 a vendor's liability to less than the contract value inclusive of
9 all possible extensions is void as a matter of law as contrary to
10 public policy.

11 Sec. 6. NEW SECTION. **8.97 Confidentiality of communications**
12 **with chief information security officer.**

13 In the interest of facilitating communication between the
14 chief information security officer and other entities concerning
15 security incidents and security breaches, all such communications
16 and any documents generated based in whole or in part on such
17 communications are confidential. Notwithstanding chapter 22 or
18 any other provision of law to the contrary, the department
19 shall not release such communications pursuant to state open
20 records laws, and such communications shall not be received
21 into evidence, subject to discovery, or otherwise used in a
22 trial, hearing, or other proceeding in or before any court,
23 regulatory body, or other authority of the state or a political
24 subdivision of the state, unless the communications are subject
25 to a protective order that prohibits further disclosure of
26 such communications and requires any court filings of such
27 communications to be made under seal. It is the intent of the
28 general assembly that these prohibitions and restrictions also
29 apply to federal courts, regulatory bodies, and other authorities
30 and for purposes of federal open records laws, to the extent
31 allowed by federal law and court rules. The chief information
32 security officer shall not release such communications other than
33 for any of the following purposes:

34 1. Identifying a cybersecurity threat, including the source
35 of the cybersecurity threat, or a security vulnerability, and

1 then only to government officials for purposes of addressing the
2 threat.

3 2. Responding to, or otherwise preventing or mitigating,
4 a specific threat of death, serious bodily harm, or serious
5 economic harm.

6 3. Responding to, investigating, prosecuting, or otherwise
7 preventing or mitigating a serious threat to a minor, including
8 sexual exploitation and threats to physical safety.

9 4. Preventing, investigating, disrupting, or prosecuting an
10 offense under state or federal law.

11 5. Providing a confidential cybersecurity briefing to the
12 governor or a member of the general assembly.

13 Sec. 7. NEW SECTION. **8.98 Criminal justice information.**

14 1. The department is authorized to maintain an integrated
15 information system that enables automated data sharing among the
16 executive branch, judicial branch, and local agencies.

17 2. The department is designated as the Iowa statistical
18 analysis center for the purpose of coordinating with data
19 resource agencies to provide data and analytical information
20 to federal, state, and local governments. Notwithstanding any
21 other provision of state law to the contrary, unless prohibited
22 by federal law or regulation, the department shall be granted
23 access, for purposes of research and evaluation, to all of the
24 data listed in this subsection, except that intelligence data and
25 peace officer investigative reports maintained by the department
26 of public safety shall not be considered data for the purposes
27 of this section. The department of management and any record,
28 data, or information obtained by the department under this
29 subsection is subject to the federal and state confidentiality
30 laws and rules, including as described in chapter 22, applicable
31 to the original record, data, or information, and to the original
32 custodian of the record, data, or information. Authorized access
33 under this subsection includes but is not limited to all of the
34 following:

35 a. Juvenile court records and all other information

1 maintained under sections 232.147 through 232.151.
2 *b.* Child abuse information under sections 235A.15 through
3 235A.19.
4 *c.* Dependent adult abuse records maintained under chapter
5 235B.
6 *d.* Criminal history data maintained under chapter 692.
7 *e.* Sex offender registry information maintained under chapter
8 692A.
9 *f.* Presentence investigation reports maintained under section
10 901.4.
11 *g.* Corrections records maintained under sections 904.601 and
12 904.602.
13 *h.* Community-based correctional program records maintained
14 under chapter 904.
15 *i.* Parole records maintained under chapter 906.
16 *j.* Deferred judgment, deferred or suspended sentence, and
17 probation records maintained under chapter 907.
18 *k.* Violation of parole or probation records maintained under
19 chapter 908.
20 *l.* Fine and victim restitution records maintained under
21 chapters 909 and 910.
22 *m.* Child welfare records maintained under chapter 235.
23 3. The department is authorized to provide data analysis and
24 reporting on issues that may affect the state's correctional
25 population and various subgroups of the population. This
26 reporting may include the review of filed, public legislative
27 bills, joint resolutions, and amendments, and compiling criminal
28 justice data for completion of correctional impact statements
29 under section 2.56, racial impact statements, and an annual
30 prison population forecast.
31 4. The department is authorized to maintain a multiagency
32 information system to track the progress of juveniles and adults
33 who have been charged with a criminal offense in the court system
34 through various state and local agencies and programs. This
35 system must utilize existing databases, including the Iowa court

1 information system, the Iowa corrections offender network, the
2 child welfare information system of the department of health
3 and human services, the federally mandated national adoption
4 and foster care information system, and other state and local
5 databases pertaining to juveniles and to adults who have been
6 charged with a criminal offense in the court system, to the
7 extent practicable.

8 5. The multiagency information system is authorized to count
9 and track decision points for juveniles in the juvenile justice
10 system and minors in the child welfare system, evaluate the
11 experiences of the juveniles and minors, and evaluate the success
12 of the services provided. The system is also authorized to
13 count and track decision points for adults who have been charged
14 with a criminal offense in the court system, including but not
15 limited to dismissed charges, convictions, deferred judgments,
16 and sentence information.

17 6. If the department has insufficient moneys or resources to
18 implement this section, the department is authorized to determine
19 which portion of this section may be implemented, if any, and the
20 remainder of this section shall not apply.

21 Sec. 8. NEW SECTION. **8.99 Confidentiality of data.**

22 1. For purposes of chapter 22, the department shall not be
23 deemed to be the lawful custodian of records the department
24 maintains for another department or establishment under this
25 subchapter, to the extent the records in question are held by the
26 department as an automated data processing unit of government or
27 held by the department solely for storage for another department
28 or establishment. Such records include but are not limited to
29 all of the following:

30 a. Electronic messaging system data.

31 b. Mainframe data.

32 c. Storage solutions or other electronic information, such as
33 on-premises server data storage and cloud data storage.

34 2. If the department receives a request pursuant to chapter
35 22 for records over which the department has determined it

1 is not the lawful custodian, the department shall deny the
2 request and inform the requester to seek the information from
3 the lawful custodian as provided in chapter 22. The department's
4 determination that it is not the lawful custodian of records is
5 presumed valid. The presumption may be rebutted by clear and
6 convincing evidence to the contrary.

7 3. The department shall provide assistance to the lawful
8 custodian of records held by the department so that the lawful
9 custodian can comply with the production obligations of chapter
10 22.

11 4. If the department receives a subpoena in an
12 administrative, civil, or criminal case for records for which
13 the department is not the lawful custodian, the department shall
14 notify the lawful custodian and the attorney general's office and
15 cooperate in any efforts to resist the subpoena.

16 Sec. 9. Section 216A.131A, Code 2025, is amended to read as
17 follows:

18 **216A.131A Criminal and juvenile justice planning.**

19 The department shall fulfill the responsibilities of this
20 subchapter, including the duties specified in sections 216A.133,
21 216A.135, 216A.136, 216A.137, 216A.138, and 216A.140.

22 Sec. 10. Section 216A.133, subsection 1, paragraphs d, e, f,
23 l, and t, Code 2025, are amended by striking the paragraphs.

24 Sec. 11. Section 216A.133, subsection 1, paragraph q,
25 subparagraphs (1) and (6), Code 2025, are amended by striking the
26 subparagraphs.

27 Sec. 12. Section 216A.133, subsection 1, paragraph s, Code
28 2025, is amended to read as follows:

29 s. Provide expertise and advice to the legislative services
30 agency, the department of management, the department of
31 corrections, the judicial branch, and others charged with
32 formulating fiscal, correctional, or minority impact statements.

33 Sec. 13. Section 216A.135, subsection 2, paragraph e, Code
34 2025, is amended by striking the paragraph.

35 Sec. 14. Section 232.147, subsection 2, paragraph i, Code

1 2025, is amended to read as follows:

2 i. The statistical analysis center for the purposes stated in
3 section ~~216A.136~~ 8.98.

4 Sec. 15. Section 232.147, subsection 3, paragraph n, Code
5 2025, is amended to read as follows:

6 n. The statistical analysis center for the purposes stated in
7 section ~~216A.136~~ 8.98.

8 Sec. 16. Section 232.147, subsection 4, paragraph i, Code
9 2025, is amended to read as follows:

10 i. The statistical analysis center for the purposes stated in
11 section ~~216A.136~~ 8.98.

12 Sec. 17. Section 232.149, subsection 5, paragraph f, Code
13 2025, is amended to read as follows:

14 f. The statistical analysis center for the purposes stated in
15 section ~~216A.136~~ 8.98.

16 Sec. 18. Section 232.149A, subsection 3, paragraph m, Code
17 2025, is amended to read as follows:

18 m. The statistical analysis center for the purposes stated in
19 section ~~216A.136~~ 8.98.

20 Sec. 19. REPEAL. Sections 216A.136, 216A.137, and 216A.138,
21 Code 2025, are repealed.

22 Sec. 20. APPLICABILITY. The following apply to contracts
23 entered into or renewed on or after the effective date of this
24 Act:

25 1. The section of this Act enacting section 8.94.

26 2. The section of this Act enacting section 8.95.

27 3. The section of this Act enacting section 8.96.

28 **EXPLANATION**

29 The inclusion of this explanation does not constitute agreement with
30 the explanation's substance by the members of the general assembly.

31 This bill relates to matters under the purview of the
32 department of management (DOM).

33 The bill strikes current law providing for the use of moneys
34 in the technology reinvestment fund for certain technology
35 projects and instead appropriates moneys in the fund to DOM for

1 technology projects using factors set forth in the bill. The
2 bill requires DOM to provide a prioritized list of proposed
3 projects to the governor, who must use the list to develop a
4 budgetary recommendation to the general assembly, and to report
5 completed and ongoing projects to the general assembly annually.

6 The bill increases the frequency at which a person performing
7 work for DOM or an individual on the information technology staff
8 of a supported entity may be subject to a national criminal
9 history check through the federal bureau of investigation from at
10 least once every 10 years to every 5 years.

11 The bill prohibits the inclusion of certain provisions in
12 information technology contracts and declares those provisions
13 void if present in such contracts. The bill also provides that
14 such contracts are deemed to include provisions requiring the
15 contract to be governed by Iowa law and litigation related to
16 the contract to be brought and maintained in an appropriate
17 state or federal court sitting in Iowa. The bill authorizes
18 the director of DOM to include limitations of vendor liability
19 in information technology goods and services contracts, but sets
20 forth prohibited terms in such limitations of liability.

21 The bill makes all communication concerning cybersecurity
22 between the chief information security officer and other entities
23 confidential and allows the communications to be released only
24 for specific purposes.

25 Under current law, the department of health and human services
26 serves as the Iowa statistical analysis center and maintains an
27 integrated information system for data sharing among federal,
28 state, and local governments. The bill transfers these powers
29 and duties to DOM and grants DOM access to criminal justice
30 information other than intelligence data and peace officer
31 investigative reports maintained by the department of public
32 safety. DOM is authorized to provide data analysis and reporting
33 on issues that may affect the state's correctional population and
34 various subgroups of the population, to maintain a multiagency
35 information system to track the progress of juveniles and

1 adults charged with a criminal offense through state and local
2 agencies and programs, and to count and track decision points for
3 individuals in the juvenile justice system, child welfare system,
4 and court system. If DOM lacks sufficient moneys to perform the
5 authorized tasks of the Iowa statistical analysis center, the
6 bill allows DOM to determine which, if any, to implement.

7 The bill states that DOM is not the lawful custodian under
8 Code chapter 22 (open records) for records DOM maintains in DOM's
9 information technology capacity for other state entities as an
10 automated data processing unit of government or when held by DOM
11 solely for storage for another department or establishment. The
12 bill requires DOM to deny requests for information for which DOM
13 is not the lawful custodian, to provide assistance to the lawful
14 custodian to comply with production obligations, and to cooperate
15 in any efforts to resist associated subpoenas.