

**House File 1055 - Introduced**

HOUSE FILE 1055  
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO LSB 3003YC)

**A BILL FOR**

1 An Act relating to state finances, including by  
2 making, modifying, limiting, or reducing appropriations,  
3 distributions, or transfers, authorizing expenditure of  
4 unappropriated moneys in special funds, providing for properly  
5 related matters including prohibiting state membership in the  
6 Iowa individual health benefit reinsurance association, making  
7 corrections, and including effective date and retroactive  
8 applicability provisions.  
9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

APPROPRIATIONS, DISTRIBUTIONS, TRANSFERS, AND EXPENDITURE  
AUTHORITY

Section 1. LIMITATIONS OF STANDING APPROPRIATIONS — FY 2025-2026. Notwithstanding the standing appropriation in the following designated section for the fiscal year beginning July 1, 2025, and ending June 30, 2026, 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 payment of claims for nonpublic school pupil transportation under section 285.2:  
..... \$ 8,997,091

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

Sec. 2. INSTRUCTIONAL SUPPORT STATE AID — FY 2025-2026. In lieu of the appropriation provided in section 257.20, subsection 2, the appropriation for the fiscal year beginning July 1, 2025, and ending June 30, 2026, for paying instructional support state aid under section 257.20 for the fiscal year is zero.

Sec. 3. SPECIAL FUNDS — SALARY ADJUSTMENTS — FY 2025-2026. For the fiscal year beginning July 1, 2025, and ending June 30, 2026, salary adjustments otherwise provided may be funded as determined by the department of management, subject to any applicable constitutional limitation, using unappropriated moneys remaining in the commerce revolving fund, the gaming enforcement revolving fund, the gaming regulatory revolving fund, the primary road fund, the road use tax fund, the fish and game protection fund, and the Iowa public employees' retirement fund, and in other departmental revolving, trust, or special funds for which the general assembly has not made an operating budget appropriation.

Sec. 4. TAXPAYER RELIEF FUND — TRANSFER.

1 1. There is transferred from the taxpayer relief fund created  
2 in section 8.57E to the general fund of the state, the following  
3 amount:

4 ..... \$ 21,881,303

5 2. The transfer made in this section is based on the  
6 application of assessment limitations calculated under section  
7 441.21 due to the enactment of 2023 Iowa Acts, chapter 5. The  
8 transferred moneys shall be used in lieu of a like amount of  
9 other general fund moneys to pay foundation aid under chapter 257  
10 as described in section 257.16 for the fiscal year beginning July  
11 1, 2025.

12 Sec. 5. Section 257.35, Code 2025, is amended by adding the  
13 following new subsection:

14 NEW SUBSECTION. 19A. Notwithstanding subsection 1, and in  
15 addition to the reduction applicable pursuant to subsection 2,  
16 the amounts specified for school districts and area education  
17 agencies in subsection 1, paragraph "a", for the fiscal year  
18 beginning July 1, 2025, and ending June 30, 2026, shall be  
19 reduced by the department of management by twenty-five million  
20 dollars. The reductions for each district or agency shall be  
21 prorated based on the proportional reduction that the district or  
22 agency receives under subsection 2.

23 DIVISION II

24 CORRECTIVE PROVISIONS

25 Sec. 6. Section 29D.4, subsection 2, paragraph b, as enacted  
26 by 2025 Iowa Acts, Senate File 619, section 8, is amended to read  
27 as follows:

28 b. Moneys in the fund are appropriated to the department to  
29 provide loans to eligible entities pursuant to section ~~29D.9~~  
30 29D.8, and for administration of the program as permitted under  
31 the STORM Act. Moneys in the fund shall not be used to provide  
32 a loan to a private entity for the acquisition of real property.  
33 Moneys in the fund shall not be considered part of the general  
34 fund of the state subject to appropriation for any other purpose  
35 by the general assembly, and in determining a general fund

1 balance, shall not be included in the general fund of the state  
2 subject to section 16.31, insofar as section 16.31 complies with  
3 the STORM Act.

4 Sec. 7. Section 144E.3, Code 2025, as amended by 2025 Iowa  
5 Acts, Senate File 233, section 2, if enacted, is amended to read  
6 as follows:

7 **144E.3 Manufacturer and eligible facility rights.**

8 1. A manufacturer of an investigational drug, biological  
9 product, or device or a manufacturer operating within,  
10 and in compliance with all requirements applicable to, an  
11 eligible facility may make available, and an eligible patient,  
12 as applicable under section ~~144E.1~~ 144E.2, subsection 2,  
13 paragraph "a" or "b", may request from a manufacturer of  
14 an investigational drug, biological product, or device, or  
15 a manufacturer operating within, and in compliance with  
16 all requirements applicable to, an eligible facility, the  
17 manufacturer's investigational drug, biological product, or  
18 device, or the manufacturer's individualized investigational  
19 treatment under this chapter. This chapter does not require  
20 a manufacturer of an investigational drug, biological product,  
21 or device, or of an individualized investigational treatment  
22 to provide or otherwise make available the investigational  
23 drug, biological product, or device, or the individualized  
24 investigational treatment to an eligible patient.

25 2. An eligible facility, or a manufacturer described in  
26 subsection 1, that is in compliance with all applicable  
27 requirements, may do any of the following:

28 a. Provide an investigational drug, biological product,  
29 or device, or an individualized investigational treatment  
30 to an eligible patient, as applicable under section ~~144E.1~~  
31 144E.2, subsection 2, paragraph "a" or "b", without receiving  
32 compensation.

33 b. Require an eligible patient, as applicable under section  
34 ~~144E.1~~ 144E.2, subsection 2, paragraph "a" or "b", to pay the  
35 costs of, or the costs associated with, the manufacture of

1 the investigational drug, biological product, or device, or the  
2 individualized investigational treatment.

3 Sec. 8. Section 237.10, subsection 1, paragraph d, if enacted  
4 by 2025 Iowa Acts, House File 644, section 3, is amended to read  
5 as follows:

6 d. (1) The department shall notify an individual licensee,  
7 and the parents or guardians of a child, if the department  
8 delegates the department's right to consent to emergency medical  
9 care and routine medical care on behalf of the child under  
10 section 232.2, subsection 12, paragraph "c", to the individual  
11 licensee.

12 (2) The department shall notify the department of education,  
13 an individual licensee, and the parents or guardians of a child  
14 if the department delegates the department's right to consent to  
15 participation in an individualized education program on behalf of  
16 the child under section 232.2, subsection 12, paragraph "c", to  
17 the individual licensee.

18 Sec. 9. Section 237.10, subsection 1, paragraph d, if enacted  
19 by 2025 Iowa Acts, House File 644, section 7, is amended to read  
20 as follows:

21 d. (1) The department shall notify an individual licensee or  
22 an approved kinship caregiver, and the parents or guardians of  
23 a child, if the department delegates the department's right to  
24 consent to emergency medical care and routine medical care on  
25 behalf of the child under section 232.2, subsection 12, paragraph  
26 "c", to the individual licensee or approved kinship caregiver.

27 (2) The department shall notify the department of education,  
28 an individual licensee or an approved kinship caregiver, and the  
29 parents or guardians of a child, if the department delegates  
30 the department's right to consent to participation in an  
31 individualized education program on behalf of the child under  
32 section 232.2, subsection 12, paragraph "c", to the individual  
33 licensee or approved kinship caregiver.

34 Sec. 10. Section 256.9, subsection 69, if enacted by 2025  
35 Iowa Acts, House File 782, section 1, is amended to read as

1 follows:

2 69. On or before May 1, 2025, develop and distribute to  
3 school districts, accredited nonpublic schools, charter schools,  
4 and innovation zone schools model policies that, if adopted,  
5 would satisfy ~~the a school district's, charter school's, or~~  
6 ~~innovation zone school's~~ responsibilities under section 279.87  
7 relating to policies governing student use of personal electronic  
8 devices.

9 Sec. 11. Section 299.1D, subsection 1, paragraph f, if  
10 enacted by 2025 Iowa Acts, House File 870, section 2, is amended  
11 to read as follows:

12 f. The school district or accredited nonpublic school  
13 must not expend any moneys related to the course in  
14 religious instruction, not including de minimis administrative  
15 costs associated with processing notifications received under  
16 ~~subsection 1~~ paragraph "a" and tracking the child's attendance to  
17 ensure compliance with this section.

18 Sec. 12. Section 514F.8, subsection 1A, paragraph c,  
19 subparagraph (8), if enacted by 2025 Iowa Acts, House File 303,  
20 section 1, is amended to read as follows:

21 (8) The average and median time that elapsed between the  
22 submission of a nonurgent prior authorization request and a  
23 determination by the utilization review organization for the  
24 ~~urgent nonurgent~~ nonurgent prior authorization request, aggregated for all  
25 health care services or items.

26 Sec. 13. Section 522F.4, subsection 2, as enacted by 2025  
27 Iowa Acts, Senate File 619, section 59, is amended to read as  
28 follows:

29 2. ~~Any~~ The fee for a criminal history check shall be the same  
30 as any applicable fee for a criminal history check pursuant to  
31 section 522B.5A.

32 Sec. 14. Section 522F.9, subsection 2, as enacted by 2025  
33 Iowa Acts, Senate File 619, section 64, is amended to read as  
34 follows:

35 2. ~~Any~~ The fee for a criminal history check shall be the same

1 as any applicable fee for a criminal history check pursuant to  
2 section 522B.5A.

3 Sec. 15. CODE EDITOR DIRECTIVE. 2025 Iowa Acts, Senate File  
4 619, section 29, amends section 515.137A, subsections 3, 4, and  
5 5, Code 2025, by striking the subsections and inserting in lieu  
6 thereof new subsections 3, 4, and 5, and, notwithstanding the  
7 Acts section lead-in, adds new subsections 6, 7, 8, 9, and 10.  
8 The Code editor is directed to codify 2025 Iowa Acts, Senate File  
9 619, section 29, by striking section 515.137A, subsections 3, 4,  
10 and 5, Code 2025, and inserting in lieu thereof new subsections  
11 3, 4, and 5, and then by amending section 515.137A, Code 2025, by  
12 adding new subsections 6, 7, 8, 9, and 10.

13 Sec. 16. EFFECTIVE DATE. The following, being deemed of  
14 immediate importance, takes effect upon enactment:

15 The section of this division of this Act amending section  
16 256.9, subsection 69, if enacted by 2025 Iowa Acts, House File  
17 782, section 1.

18 Sec. 17. RETROACTIVE APPLICABILITY. The following applies  
19 retroactively to the effective date of 2025 Iowa Acts, House File  
20 782, if enacted:

21 The section of this division of this Act amending section  
22 256.9, subsection 69, if enacted by 2025 Iowa Acts, House File  
23 782, section 1.

24 DIVISION III

25 STATE MEMBERSHIP — REINSURANCE ASSOCIATION

26 Sec. 18. Section 513C.10, subsection 1, paragraph a, Code  
27 2025, is amended to read as follows:

28 a. All persons that provide health benefit plans in  
29 this state including insurers providing accident and sickness  
30 insurance under chapter 509, 514, or 514A, whether on an  
31 individual or group basis; fraternal benefit societies providing  
32 hospital, medical, or nursing benefits under chapter 512B;  
33 and health maintenance organizations, other entities providing  
34 health insurance or health benefits subject to state insurance  
35 regulation, and all other insurers as designated by the board of

1 directors of the Iowa comprehensive health insurance association  
2 with the approval of the commissioner shall be members of  
3 the association. However, the state, including a department,  
4 an independent agency, the state board of regents, and an  
5 institution under the control of the state board of regents,  
6 shall not be a member of the association.

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

9 Sec. 20. RETROACTIVE APPLICABILITY. This division of this  
10 Act applies retroactively to January 1, 2020.

11 EXPLANATION

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

14 APPROPRIATIONS, DISTRIBUTIONS, TRANSFERS, AND EXPENDITURE  
15 AUTHORITY. This bill limits or reduces the standing  
16 appropriations for FY 2025-2026 for payment of claims for  
17 nonpublic school pupil transportation, instructional support  
18 state aid, and state aid for area education agencies and school  
19 districts under Code section 257.35.

20 The bill authorizes salary adjustments to be funded as  
21 determined by the department of management from unappropriated  
22 moneys in certain special funds.

23 The bill transfers moneys from the taxpayer relief fund to the  
24 general fund of the state based on the application of assessment  
25 limitations calculated under Code section 441.21 due to the  
26 enactment of 2023 Iowa Acts, chapter 5, to be used in lieu of  
27 a like amount of other general fund moneys to pay foundation aid  
28 under Code chapter 257 for FY 2025-2026.

29 CORRECTIVE PROVISIONS. The bill makes technical corrections  
30 to, or as the result of, legislation enacted or considered during  
31 the 2025 legislative session. Certain provisions take effect or  
32 apply retroactively based on the underlying 2025 legislation.

33 STATE MEMBERSHIP — REINSURANCE ASSOCIATION. The bill excludes  
34 the state from membership in the Iowa individual health benefit  
35 reinsurance association. This provision takes effect upon

1 enactment and applies retroactively to January 1, 2020.

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