

**House File 2753 - Introduced**

HOUSE FILE 2753  
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HF 1047)  
(SUCCESSOR TO HSB 333)

**A BILL FOR**

1 An Act relating to prison infrastructure.

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

unofficial

1 Section 1. Section 12.80, subsection 4, Code 2026, is amended  
2 to read as follows:

3 4. The net proceeds from the bonds issued under this section  
4 shall be deposited into the ~~FY 2009 prison bonding fund~~ new  
5 prison construction account of the Iowa prison infrastructure  
6 fund created in section 602.8108A.

7 Sec. 2. Section 602.8108A, Code 2026, is amended to read as  
8 follows:

9 **602.8108A ~~Prison~~ Iowa prison infrastructure fund — new**  
10 **prison construction account — prison recidivism reduction**  
11 **account.**

12 1. The Iowa prison infrastructure fund is created and  
13 established as a separate and distinct fund in the state  
14 treasury. Notwithstanding any other provision of this chapter  
15 to the contrary, ~~the first eight million dollars and, beginning~~  
16 ~~July 1, 1997,~~ the first nine million five hundred thousand  
17 dollars, of moneys remitted to the treasurer of state from fines,  
18 fees, costs, and forfeited bail collected by the clerks of the  
19 district court in criminal cases, including those collected for  
20 both scheduled and nonscheduled violations, collected in each  
21 fiscal year ~~commencing with the fiscal year beginning July 1,~~  
22 ~~1995,~~ shall be deposited in the fund. ~~Beginning July 1, 2009,~~  
23 ~~the~~ The treasurer of state shall certify to the judicial branch  
24 the annual amount of ~~funds~~ moneys necessary to be remitted for  
25 deposit into the fund for that fiscal year and such moneys shall  
26 be remitted to the treasurer of state from fines, fees, costs,  
27 and forfeited bail collected by the clerks of the district court  
28 in criminal cases, including those collected for both scheduled  
29 and nonscheduled violations, for debt payments and deposits  
30 expected to be paid from the fund. ~~Interest~~ Notwithstanding  
31 section 12C.7, subsection 2, interest and other income earned  
32 by the fund shall be deposited in the fund. However, ~~beginning~~  
33 ~~with the fiscal year beginning July 1, 1998,~~ all fines and fees  
34 attributable to commercial vehicle violation citations ~~issued~~  
35 ~~after July 1, 1998,~~ shall be deposited as provided in section

1 602.8108, subsection 8. The moneys in the fund are appropriated  
 2 and shall have priority and precedence for the purpose of  
 3 paying the principal of, premium, if any, and interest on bonds  
 4 issued by the Iowa finance authority under section 16.177.  
 5 Any remaining moneys not otherwise appropriated for purposes  
 6 of paying the principal, premium, and interest on the bonds  
 7 issued by the Iowa finance authority pursuant to section 16.177  
 8 shall be available and appropriated to the treasurer of state  
 9 pursuant to section 12.80. Except as otherwise provided in  
 10 subsection 2, amounts in the ~~funds~~ fund shall not be subject  
 11 to appropriation for any purpose by the general assembly, but  
 12 shall be used only for the purposes set forth in this section.  
 13 The treasurer of state shall act as custodian of the fund and  
 14 disburse amounts contained in ~~it~~ the fund as directed by the  
 15 department of corrections including the automatic disbursement  
 16 of ~~funds~~ moneys pursuant to the terms of bond indentures and  
 17 documents and security provisions to trustees and custodians.  
 18 The treasurer of state is authorized to invest the ~~funds~~ moneys  
 19 deposited in the fund subject to any limitations contained in any  
 20 applicable bond proceedings. Any amounts remaining in the fund  
 21 at the end of each fiscal year, other than moneys in the new  
 22 prison construction account created in subsection 2 or the prison  
 23 recidivism reduction account created in subsection 3, shall be  
 24 transferred to the general fund of the state.

25 2. ~~If the treasurer of state determines that bonds cannot be~~  
 26 ~~issued pursuant to this section and sections 12.80 and 16.177 or~~  
 27 ~~if there are any remaining moneys at the end of a fiscal year~~  
 28 ~~after the appropriations are paid pursuant to sections 12.80 and~~  
 29 ~~16.177, the treasurer of state shall deposit the moneys in the~~  
 30 ~~prison infrastructure fund into the general fund of the state. A~~  
 31 new prison construction account is created within the Iowa prison  
 32 infrastructure fund. For the fiscal year beginning July 1, 2026,  
 33 and each fiscal year thereafter, if bonds pertaining to prison  
 34 infrastructure financing for the Iowa state penitentiary are paid  
 35 off, an amount equal to sixty-six and seven-tenths percent paid

1 on such bonds for the fiscal year beginning July 1, 2025, shall  
2 be deposited in the new prison construction account from the Iowa  
3 prison infrastructure fund and shall only be used pursuant to an  
4 appropriation made by the general assembly for the construction  
5 of new prisons or the replacement of infrastructure at existing  
6 prisons. Notwithstanding section 8.33, moneys in the account  
7 that remain unencumbered or unobligated at the close of a fiscal  
8 year shall not revert but shall remain available for expenditure  
9 for the purposes designated. Notwithstanding section 12C.7,  
10 subsection 2, interest or earnings on moneys in the account shall  
11 be credited to the account.

12 3. A prison recidivism reduction account is created within  
13 the Iowa prison infrastructure fund. For the fiscal year  
14 beginning July 1, 2026, and each fiscal year thereafter, if  
15 bonds pertaining to prison infrastructure financing for the  
16 Iowa state penitentiary are paid off, an amount equal to  
17 thirty-three and three-tenths percent paid on such bonds for  
18 the fiscal year beginning July 1, 2025, shall be deposited in  
19 the prison recidivism reduction account from the Iowa prison  
20 infrastructure fund and shall only be used pursuant to an  
21 appropriation made by the general assembly for the establishment  
22 of newly created or the expansion of existing programs identified  
23 by the department of corrections for the purpose of reducing  
24 recidivism of inmates at existing or newly constructed prisons.  
25 Notwithstanding section 8.33, moneys in the account that remain  
26 unencumbered or unobligated at the close of a fiscal year shall  
27 not revert but shall remain available for expenditure for the  
28 purposes designated. Notwithstanding section 12C.7, subsection  
29 2, interest or earnings on moneys in the account shall be  
30 credited to the account.

31 **Sec. 3. NEW SECTION. 904.115A **Infrastructure report by****  
32 **department.**

33 **Annually, on or before January 15 of each year, the department**  
34 **shall report to the general assembly and the department of**  
35 **management the status of all infrastructure projects completed**

1 or in progress. The report must include a description of the  
2 project, the work completed, the total estimated cost of the  
3 project, a list of all revenue sources being used to fund the  
4 project, the amount of moneys expended, the amount of moneys  
5 obligated, and the date the project was completed or an estimated  
6 completion date of the project, where applicable.

7 Sec. 4. REPEAL. Section 12.79, Code 2026, is repealed.

8 Sec. 5. LEGISLATIVE INTERIM STUDY COMMITTEE — CONSTRUCTION  
9 AND OPERATION OF ADDITIONAL PRISON IN THE STATE.

10 1. The legislative council is requested to establish an  
11 interim study committee to meet during the 2026 legislative  
12 interim to explore and consider issues involving prison capacity  
13 and the feasibility of an additional prison or other prison  
14 housing options. The interim study committee shall consider all  
15 of the following:

16 a. Need.

17 b. Geographic locations.

18 c. Existing state infrastructure that could be converted to a  
19 prison.

20 d. The level of security classification most needed in the  
21 current system.

22 e. The possibility of adding additional units to existing  
23 prisons.

24 f. The feasibility of a new prison operation, public or  
25 otherwise, or the expansion of the current state operation.

26 g. Advancements in prison technology that increase prison  
27 efficiency.

28 h. Staffing needs.

29 i. Programs that can be established or expanded by the  
30 department of corrections for the purpose of reducing the  
31 recidivism rate of inmates.

32 2. a. The interim study committee shall include all of the  
33 following members:

34 (1) Two senators appointed by the majority leader of the  
35 senate.

1 (2) One senator appointed by the minority leader of the  
2 senate.

3 (3) Two representatives appointed by the speaker of the house  
4 of representatives.

5 (4) One representative appointed by the minority leader of  
6 the house of representatives.

7 b. The interim study committee shall elect one of its members  
8 as chairperson.

9 3. On or before December 18, 2026, the interim study  
10 committee shall submit a report to the general assembly and the  
11 governor.

12 EXPLANATION

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

15 This bill creates a new prison construction account and  
16 a prison recidivism reduction account within the Iowa prison  
17 infrastructure (IPI) fund.

18 Under current law, the treasurer of state is authorized to  
19 issue bonds to provide prison infrastructure financing (Code  
20 section 12.80) and the Iowa finance authority is authorized  
21 to issue bonds to provide prison infrastructure financing for  
22 projects approved for financing by the general assembly (Code  
23 section 16.177). In either case, the bonds may be paid from  
24 moneys in the IPI fund (Code section 602.8108A), which receives  
25 moneys each fiscal year from fines, fees, costs, and forfeited  
26 bail collected by the clerks of the district court in criminal  
27 cases.

28 The bill provides that for FY 2026-2027, and each fiscal year  
29 thereafter, if infrastructure financing bonds pertaining to the  
30 Iowa state penitentiary (Fort Madison, Iowa) are paid off, an  
31 amount equal to 66.7 percent paid on such bonds for FY 2025-2026  
32 shall be deposited into the new prison construction account from  
33 the IPI fund and shall only be used pursuant to an appropriation  
34 made by the general assembly for the construction of new prisons  
35 or the replacement of infrastructure at existing prisons. Moneys

1 in the account do not revert and are not deposited in the general  
2 fund of the state at the end of each fiscal year (unlike the  
3 other moneys in the IPI fund).

4 The bill also provides that for FY 2026-2027, and each fiscal  
5 year thereafter, if infrastructure financing bonds pertaining to  
6 the Iowa state penitentiary are paid off, an amount equal to 33.3  
7 percent paid on such bonds for FY 2025-2026 shall be deposited  
8 in the prison recidivism reduction account from the Iowa prison  
9 infrastructure fund and shall only be used pursuant to an  
10 appropriation made by the general assembly for the establishment  
11 of newly created or the expansion of existing programs identified  
12 by the department of corrections for the purpose of reducing  
13 recidivism of inmates at existing or newly constructed prisons.  
14 Moneys in the account do not revert and are not deposited in the  
15 general fund of the state at the end of each fiscal year (unlike  
16 the other moneys in the IPI fund).

17 The bill repeals the FY 2009 prison bonding fund (Code section  
18 12.79) and moves the infrastructure project reporting requirement  
19 for the department of corrections in that Code section to Code  
20 chapter 904 (department of corrections).

21 The bill requests that the legislative council establish an  
22 interim study committee to explore and consider issues involving  
23 prison capacity and the feasibility of an additional prison or  
24 other prison housing options. The interim study committee is  
25 directed to consider factors set forth in the bill. The bill  
26 requires the interim study committee to, on or before December  
27 18, 2026, submit a report to the general assembly and the  
28 governor.