

**House Study Bill 335 - Introduced**

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
APPROPRIATIONS BILL BY  
CHAIRPERSON MOHR)

**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. DEPARTMENT OF EDUCATION — EDUCATION SUPPORT  
PERSONNEL SALARY SUPPLEMENT — FY 2025-2026.

1. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 2025, and ending June 30, 2026, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

To supplement education support personnel compensation:  
..... \$ 14,000,000

2. Moneys appropriated in this section are miscellaneous income as defined in section 257.2 and shall not be included in any computation of district cost under chapter 257 for any budget year.

3. Moneys appropriated in this section shall be used to provide a funding supplement to each school district during the fiscal year beginning July 1, 2025, to supplement education support personnel compensation.

4. In order to receive the funding supplement, a school district shall first report to the department of education on or before July 1, 2025, the number of education support personnel employed by the school district, including all other information related to such personnel required by the department of education. Each school district's funding supplement amount shall be equal to \$14,000,000 multiplied by the quotient of the school district's budget enrollment for the budget year beginning July 1, 2024, divided by the statewide total budget enrollment for the budget year beginning July 1, 2024.

5. For purposes of this section, "education support personnel" means regular and part-time employees of a school district who are not salaried.

6. The payment of funding supplement amounts under this section shall be paid by the department of education at the same

1 time and in the same manner as foundation aid is paid under  
2 section 257.16 for the fiscal year beginning July 1, 2025, and  
3 may be included in the monthly payment of state aid under section  
4 257.16, subsection 2.

5 Sec. 2. DEPARTMENT OF EDUCATION — EDUCATION SUPPORT  
6 PERSONNEL SALARY SUPPLEMENT — FY 2026-2027.

7 1. There is appropriated from the general fund of the state  
8 to the department of education for the fiscal year beginning July  
9 1, 2026, and ending June 30, 2027, the following amount, or so  
10 much thereof as is necessary, to be used for the purposes  
11 designated:

12 To supplement education support personnel compensation:  
13 ..... \$ 14,000,000

14 2. Moneys appropriated in this section are miscellaneous  
15 income as defined in section 257.2 and shall not be included in  
16 any computation of district cost under chapter 257 for any budget  
17 year.

18 3. Moneys appropriated in this section shall be used to  
19 provide a funding supplement to each school district during the  
20 fiscal year beginning July 1, 2026, to supplement education  
21 support personnel compensation.

22 4. In order to receive the funding supplement, a school  
23 district shall first report to the department of education on or  
24 before July 1, 2026, the number of education support personnel  
25 employed by the school district, including all other information  
26 related to such personnel required by the department of  
27 education. Each school district's funding supplement amount  
28 shall be equal to \$14,000,000 multiplied by the quotient of the  
29 school district's budget enrollment for the budget year beginning  
30 July 1, 2025, divided by the statewide total budget enrollment  
31 for the budget year beginning July 1, 2025.

32 5. For purposes of this section, "education support  
33 personnel" means regular and part-time employees of a school  
34 district who are not salaried.

35 6. The payment of funding supplement amounts under this

1 section shall be paid by the department of education at the same  
2 time and in the same manner as foundation aid is paid under  
3 section 257.16 for the fiscal year beginning July 1, 2026, and  
4 may be included in the monthly payment of state aid under section  
5 257.16, subsection 2.

6 Sec. 3. LIMITATIONS OF STANDING APPROPRIATIONS — FY  
7 2025-2026. Notwithstanding the standing appropriation in the  
8 following designated section for the fiscal year beginning July  
9 1, 2025, and ending June 30, 2026, the amount appropriated from  
10 the general fund of the state pursuant to that section for the  
11 following designated purpose shall not exceed the following  
12 amount:

13 For payment of claims for nonpublic school pupil  
14 transportation under section 285.2:  
15 ..... \$ 8,997,091

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

20 Sec. 4. INSTRUCTIONAL SUPPORT STATE AID — FY 2025-2026. In  
21 lieu of the appropriation provided in section 257.20, subsection  
22 2, the appropriation for the fiscal year beginning July 1, 2025,  
23 and ending June 30, 2026, for paying instructional support state  
24 aid under section 257.20 for the fiscal year is zero.

25 Sec. 5. SPECIAL FUNDS — SALARY ADJUSTMENTS — FY  
26 2025-2026. For the fiscal year beginning July 1, 2025, and  
27 ending June 30, 2026, salary adjustments otherwise provided may  
28 be funded as determined by the department of management, subject  
29 to any applicable constitutional limitation, using unappropriated  
30 moneys remaining in the commerce revolving fund, the gaming  
31 enforcement revolving fund, the gaming regulatory revolving fund,  
32 the primary road fund, the road use tax fund, the fish and game  
33 protection fund, and the Iowa public employees' retirement fund,  
34 and in other departmental revolving, trust, or special funds  
35 for which the general assembly has not made an operating budget

1 appropriation.

2 Sec. 6. TAXPAYER RELIEF FUND — TRANSFER.

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

6 ..... \$ 21,881,303

7 2. The transfer made in this section is based on the  
8 application of assessment limitations calculated under section  
9 441.21 due to the enactment of 2023 Iowa Acts, chapter 5. The  
10 transferred moneys shall be used in lieu of a like amount of  
11 other general fund moneys to pay foundation aid under chapter 257  
12 as described in section 257.16 for the fiscal year beginning July  
13 1, 2025.

14 Sec. 7. Section 257.35, Code 2025, is amended by adding the  
15 following new subsection:

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

25 Sec. 8. EFFECTIVE DATE. The following, being deemed of  
26 immediate importance, takes effect upon enactment:

27 The section of this division of this Act appropriating moneys  
28 to the department of education for the fiscal year beginning July  
29 1, 2025, for an education support personnel salary supplement.

30 DIVISION II

31 CORRECTIVE PROVISIONS

32 Sec. 9. Section 29D.4, subsection 2, paragraph b, as enacted  
33 by 2025 Iowa Acts, Senate File 619, section 8, is amended to read  
34 as follows:

35 b. Moneys in the fund are appropriated to the department to

1 provide loans to eligible entities pursuant to section ~~29D.9~~  
2 29D.8, and for administration of the program as permitted under  
3 the STORM Act. Moneys in the fund shall not be used to provide  
4 a loan to a private entity for the acquisition of real property.  
5 Moneys in the fund shall not be considered part of the general  
6 fund of the state subject to appropriation for any other purpose  
7 by the general assembly, and in determining a general fund  
8 balance, shall not be included in the general fund of the state  
9 subject to section 16.31, insofar as section 16.31 complies with  
10 the STORM Act.

11 Sec. 10. Section 144E.3, Code 2025, as amended by 2025 Iowa  
12 Acts, Senate File 233, section 2, if enacted, is amended to read  
13 as follows:

14 **144E.3 Manufacturer and eligible facility rights.**

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

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

35 a. Provide an investigational drug, biological product,

1 or device, or an individualized investigational treatment  
2 to an eligible patient, as applicable under section ~~144E.1~~  
3 144E.2, subsection 2, paragraph "a" or "b", without receiving  
4 compensation.

5 b. Require an eligible patient, as applicable under section  
6 ~~144E.1~~ 144E.2, subsection 2, paragraph "a" or "b", to pay the  
7 costs of, or the costs associated with, the manufacture of  
8 the investigational drug, biological product, or device, or the  
9 individualized investigational treatment.

10 Sec. 11. Section 237.10, subsection 1, paragraph d, if  
11 enacted by 2025 Iowa Acts, House File 644, section 3, is amended  
12 to read as follows:

13 d. (1) The department shall notify an individual licensee,  
14 and the parents or guardians of a child, if the department  
15 delegates the department's right to consent to emergency medical  
16 care and routine medical care on behalf of the child under  
17 section 232.2, subsection 12, paragraph "c", to the individual  
18 licensee.

19 (2) The department shall notify the department of education,  
20 an individual licensee, and the parents or guardians of a child  
21 if the department delegates the department's right to consent to  
22 participation in an individualized education program on behalf of  
23 the child under section 232.2, subsection 12, paragraph "c", to  
24 the individual licensee.

25 Sec. 12. Section 237.10, subsection 1, paragraph d, if  
26 enacted by 2025 Iowa Acts, House File 644, section 7, is amended  
27 to read as follows:

28 d. (1) The department shall notify an individual licensee or  
29 an approved kinship caregiver, and the parents or guardians of  
30 a child, if the department delegates the department's right to  
31 consent to emergency medical care and routine medical care on  
32 behalf of the child under section 232.2, subsection 12, paragraph  
33 "c", to the individual licensee or approved kinship caregiver.

34 (2) The department shall notify the department of education,  
35 an individual licensee or an approved kinship caregiver, and the

1 parents or guardians of a child, if the department delegates  
2 the department's right to consent to participation in an  
3 individualized education program on behalf of the child under  
4 section 232.2, subsection 12, paragraph "c", to the individual  
5 licensee or approved kinship caregiver.

6 Sec. 13. Section 256.9, subsection 69, if enacted by 2025  
7 Iowa Acts, House File 782, section 1, is amended to read as  
8 follows:

9 69. On or before May 1, 2025, develop and distribute to  
10 school districts, accredited nonpublic schools, charter schools,  
11 and innovation zone schools model policies that, if adopted,  
12 would satisfy ~~the a school district's, charter school's, or~~  
13 ~~innovation zone school's~~ responsibilities under section 279.87  
14 relating to policies governing student use of personal electronic  
15 devices.

16 Sec. 14. Section 299.1D, subsection 1, paragraph f, if  
17 enacted by 2025 Iowa Acts, House File 870, section 2, is amended  
18 to read as follows:

19 f. The school district or accredited nonpublic school  
20 must not expend any moneys related to the course in  
21 religious instruction, not including de minimis administrative  
22 costs associated with processing notifications received under  
23 ~~subsection 4~~ paragraph "a" and tracking the child's attendance to  
24 ensure compliance with this section.

25 Sec. 15. Section 514F.8, subsection 1A, paragraph c,  
26 subparagraph (8), if enacted by 2025 Iowa Acts, House File 303,  
27 section 1, is amended to read as follows:

28 (8) The average and median time that elapsed between the  
29 submission of a nonurgent prior authorization request and a  
30 determination by the utilization review organization for the  
31 ~~urgent~~ nonurgent prior authorization request, aggregated for all  
32 health care services or items.

33 Sec. 16. Section 522F.4, subsection 2, as enacted by 2025  
34 Iowa Acts, Senate File 619, section 59, is amended to read as  
35 follows:



1 this state including insurers providing accident and sickness  
2 insurance under chapter 509, 514, or 514A, whether on an  
3 individual or group basis; fraternal benefit societies providing  
4 hospital, medical, or nursing benefits under chapter 512B;  
5 and health maintenance organizations, other entities providing  
6 health insurance or health benefits subject to state insurance  
7 regulation, and all other insurers as designated by the board of  
8 directors of the Iowa comprehensive health insurance association  
9 with the approval of the commissioner shall be members of  
10 the association. However, the state, including a department,  
11 an independent agency, the state board of regents, and an  
12 institution under the control of the state board of regents,  
13 shall not be a member of the association.

14 Sec. 22. EFFECTIVE DATE. This division of this Act, being  
15 deemed of immediate importance, takes effect upon enactment.

16 Sec. 23. RETROACTIVE APPLICABILITY. This division of this  
17 Act applies retroactively to January 1, 2020.

18 EXPLANATION

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

21 APPROPRIATIONS, DISTRIBUTIONS, TRANSFERS, AND EXPENDITURE  
22 AUTHORITY. This bill appropriates moneys from the general fund  
23 of the state to the department of education for FY 2025-2026  
24 and FY 2026-2027 to supplement education support personnel  
25 compensation and limits or reduces the standing appropriations  
26 for FY 2025-2026 for payment of claims for nonpublic school  
27 pupil transportation, instructional support state aid, and state  
28 aid for area education agencies and school districts under Code  
29 section 257.35.

30 The bill authorizes salary adjustments to be funded as  
31 determined by the department of management from unappropriated  
32 moneys in certain special funds.

33 The bill transfers moneys from the taxpayer relief fund to the  
34 general fund of the state based on the application of assessment  
35 limitations calculated under Code section 441.21 due to the

1 enactment of 2023 Iowa Acts, chapter 5, to be used in lieu of  
2 a like amount of other general fund moneys to pay foundation aid  
3 under Code chapter 257 for FY 2025-2026.

4       CORRECTIVE PROVISIONS. The bill makes technical corrections  
5 to, or as the result of, legislation enacted or considered during  
6 the 2025 legislative session. Certain provisions take effect or  
7 apply retroactively based on the underlying 2025 legislation.

8       STATE MEMBERSHIP — REINSURANCE ASSOCIATION. The bill excludes  
9 the state from membership in the Iowa individual health benefit  
10 reinsurance association. This provision takes effect upon  
11 enactment and applies retroactively to January 1, 2020.

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