

House Study Bill 694 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED GOVERNOR BILL)

A BILL FOR

1 An Act relating to health-related matters, including
2 health-related professions, nutrition, medication, and taxes
3 on certain products, and including effective date and
4 applicability provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

CONTINUING EDUCATION REQUIREMENTS — NUTRITION AND METABOLIC HEALTH

Section 1. Section 148.3, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION. 5. The board shall adopt rules pursuant to chapter 17A requiring a licensee practicing family medicine, internal medicine, pediatrics, psychiatry, endocrinology, gastroenterology, cardiology, oncology, rheumatology, neurology, nephrology, dermatology, pulmonology, surgery, immunology, hematology, obstetrics, or gynecology to complete a minimum of one hour of continuing education on nutrition and metabolic health every four years as a condition of license renewal.

Sec. 2. Section 148C.3, subsection 1, paragraph c, Code 2026, is amended to read as follows:

c. Hours of continuing medical education necessary to become or remain licensed. The board shall adopt rules pursuant to chapter 17A requiring a licensee practicing family medicine, internal medicine, pediatrics, psychiatry, endocrinology, gastroenterology, cardiology, oncology, rheumatology, neurology, nephrology, dermatology, pulmonology, surgery, immunology, hematology, obstetrics, or gynecology to complete a minimum of one hour of continuing education on nutrition and metabolic health every four years as a condition of license renewal.

DIVISION II

CERTIFICATE OF NEED

Sec. 3. Section 135.61, subsection 16, paragraphs e, g, i, and k, Code 2026, are amended by striking the paragraphs.

Sec. 4. Section 135.61, subsection 16, paragraph m, subparagraphs (2) and (3), Code 2026, are amended by striking the subparagraphs.

Sec. 5. Section 135.62, subsection 2, paragraph a, Code 2026, is amended to read as follows:

a. Private offices and private clinics of an individual physician, dentist, or other practitioner or group of health care

1 providers, except as provided by section 135.61, subsection 16,
2 paragraphs "g", "h", and "m", and section 135.61, subsections 2
3 and 18.

4 Sec. 6. Section 135.62, subsection 2, paragraph e,
5 subparagraph (2), Code 2026, is amended to read as follows:

6 (2) Acquires major medical equipment as provided by section
7 135.61, subsection 16, ~~paragraphs "i" and~~ paragraph "j".

8 Sec. 7. Section 135.62, subsection 2, paragraph g,
9 subparagraph (1), unnumbered paragraph 1, Code 2026, is amended
10 to read as follows:

11 A reduction in bed capacity of an institutional health
12 facility, notwithstanding any provision in this subchapter to
13 the contrary, except where a provision expressly exempts such a
14 reduction, if all of the following conditions exist:

15 Sec. 8. Section 135.62, subsection 2, paragraph k,
16 subparagraph (1), unnumbered paragraph 1, Code 2026, is amended
17 to read as follows:

18 The redistribution of beds by a hospital within the acute
19 care category of bed usage, notwithstanding any provision in this
20 subchapter to the contrary, except where a provision expressly
21 exempts such a redistribution of skilled nursing facility or
22 swing beds by a hospital, if all of the following conditions
23 exist:

24 Sec. 9. Section 135.62, subsection 2, paragraph p, Code 2026,
25 is amended by striking the paragraph.

26 Sec. 10. Section 135.62, subsection 2, Code 2026, is amended
27 by adding the following new paragraphs:

28 NEW PARAGRAPH. r. An outpatient facility that provides
29 behavioral health services, as defined by rule by the department,
30 to individuals on an outpatient basis, including but not limited
31 to substitution-based treatment centers for opiate addiction.

32 NEW PARAGRAPH. s. Open heart surgical services.

33 NEW PARAGRAPH. t. Organ transplantation services.

34 NEW PARAGRAPH. u. Notwithstanding any provision of this
35 subchapter to the contrary, any acquisition whether acquired by

1 purchase, lease, or donation by or on behalf of a health care
2 provider or a group of health care providers of any piece of
3 replacement equipment with a value in excess of one million five
4 hundred thousand dollars.

5 NEW PARAGRAPH. v. Notwithstanding any provision of this
6 subchapter to the contrary, any acquisition whether acquired by
7 purchase, lease, or donation by or on behalf of an institutional
8 health facility or a health maintenance organization of any piece
9 of replacement equipment with a value in excess of one million
10 five hundred thousand dollars.

11 NEW PARAGRAPH. w. Any air transportation service for
12 transportation of patients or medical personnel offered through
13 an institutional health facility.

14 NEW PARAGRAPH. x. Notwithstanding any provision of this
15 subchapter to the contrary, bed capacity changes by an
16 institutional health facility that constitute a permanent change
17 or reduction in, or a redistribution, deletion, or conversion of,
18 nursing facility beds, skilled nursing facility beds, or swing
19 beds.

20 NEW PARAGRAPH. y. Notwithstanding any provision of this
21 subchapter to the contrary, bed capacity changes that constitute
22 a permanent change or reduction in, or a redistribution,
23 deletion, or conversion of, beds in intermediate care facilities
24 for persons with mental illness, or intermediate care facilities
25 for persons with an intellectual disability.

26 Sec. 11. Section 135.62, subsection 4, Code 2026, is amended
27 to read as follows:

28 4. The department shall not process applications for an
29 intermediate care facility for persons with an intellectual
30 disability, or consider a new or changed institutional health
31 service for an intermediate care facility for persons with an
32 intellectual disability, ~~unless both of the following conditions~~
33 ~~are met:~~

34 ~~α. The new or changed beds shall not result in an increase~~
35 ~~in the total number of medical assistance certified intermediate~~

1 ~~care facility beds for persons with an intellectual disability in~~
2 ~~the state, exclusive of those beds at the state resource centers~~
3 ~~or other state institutions, beyond one thousand six hundred~~
4 ~~thirty-six beds.~~

5 ~~b.~~ A a letter of support for the application is provided by
6 the county board of supervisors, or the board's designee, in the
7 county in which the ~~beds~~ facility is or would be located.

8 Sec. 12. Section 135.65, subsection 3, paragraph b, Code
9 2026, is amended to read as follows:

10 ~~b.~~ A period for the submission of written public hearing
11 comments from affected persons on the application, to be held
12 scheduled prior to completion of the evaluation required by
13 paragraph "a".

14 Sec. 13. Section 135.65, subsection 4, Code 2026, is amended
15 by striking the subsection.

16 Sec. 14. Section 135.70, subsection 2, Code 2026, is amended
17 to read as follows:

18 2. Upon expiration of a certificate of need, and prior to
19 extension of the certificate of need, any affected person shall
20 have the right to submit to the department information which
21 may be relevant to the question of granting an extension. ~~The~~
22 ~~department may call a public hearing for this purpose.~~

23 DIVISION III

24 SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM — SUMMER ELECTRONIC
25 BENEFITS TRANSFER FOR CHILDREN PROGRAM

26 Sec. 15. Section 234.1, Code 2026, is amended by adding the
27 following new subsection:

28 NEW SUBSECTION. 4A. "Summer electronic benefits transfer for
29 children program" or "summer EBT program" means the summer
30 electronic benefits transfer for children program established in
31 42 U.S.C. §1762.

32 Sec. 16. NEW SECTION. **234.12B Supplemental nutrition**
33 **assistance program — summer electronic benefits transfer for**
34 **children program.**

35 1. The department shall do all of the following:

1 NEW PARAGRAPH. v. Be subject to and comply with the
2 requirements of section 283A.6 relating to the preparation of
3 meals provided to students, and prohibited ingredients in meals
4 provided to students, in the same manner as a school district, if
5 the charter school or innovation zone school provides a breakfast
6 or lunch program.

7 Sec. 20. NEW SECTION. **283A.6 School district breakfast and**
8 **lunch programs — food and beverages provided to students —**
9 **prohibited ingredients.**

10 1. a. A school district shall not serve a meal to students
11 as part of the school district's breakfast or lunch program that
12 contains any of the following ingredients:

- 13 (1) Blue dye 1.
- 14 (2) Blue dye 2.
- 15 (3) Green dye 3.
- 16 (4) Potassium bromate.
- 17 (5) Propylparaben.
- 18 (6) Red dye 40.
- 19 (7) Yellow dye 5.
- 20 (8) Yellow dye 6.

21 b. Paragraph "a" does not apply to food and beverages
22 received as part of a direct delivery from the foods in schools
23 program of the United States department of agriculture.

24 2. An employee or contracted vendor of a school district
25 shall not provide any food or beverages that contain an
26 ingredient described in subsection 1 to a student enrolled in the
27 school district during the school day.

28 3. A school district shall not permit the sale to students
29 of any foods or beverages that contain an ingredient described in
30 subsection 1 on the school campus, as school campus is defined
31 in 7 C.F.R. §210.11 as of January 1, 2026, unless the sale takes
32 place outside of the school day, as school day is defined in 7
33 C.F.R. §210.11 as of January 1, 2026.

34 Sec. 21. Section 283A.10, Code 2026, is amended to read as
35 follows:

1 **283A.10 School breakfast or lunch in nonpublic schools.**

2 The authorities in charge of nonpublic schools may operate
3 or provide for the operation of school breakfast or lunch
4 programs in schools under their jurisdiction and may use funds
5 appropriated to them by the general assembly, gifts, funds
6 received from sale of school breakfasts or lunches under such
7 programs, and any other funds available to the nonpublic school.
8 However, school breakfast or lunch programs shall not be required
9 in nonpublic schools. The department of education shall direct
10 the disbursement of state funds to nonpublic schools for school
11 breakfast or lunch programs in the same manner as state funds
12 are disbursed to public schools. If a nonpublic school receives
13 state funds for the operation of a school breakfast or lunch
14 program, meals served under the program shall be nutritionally
15 adequate meals, as defined in section 283A.1, and shall comply
16 with the requirements of section 283A.6.

17 Sec. 22. APPLICABILITY. This division of this Act applies to
18 school years beginning on or after July 1, 2027.

19 DIVISION VI

20 PSYCHOLOGY INTERJURISDICTIONAL COMPACT

21 Sec. 23. NEW SECTION. **147M.1 Psychology interjurisdictional**
22 **compact.**

23 The psychology interjurisdictional compact is enacted into law
24 and entered into by this state with all states legally joining in
25 the compact in the form substantially as follows:

26 1. *Article I — Purpose.*

27 a. The party states find that:

28 (1) States license psychologists, in order to protect the
29 public through verification of education, training, and
30 experience, and ensure accountability for professional practice.

31 (2) This compact is intended to regulate the day-to-day
32 practice of telepsychology, in which psychological services are
33 provided using telecommunication technologies, by psychologists
34 across state boundaries in the performance of their psychological
35 practice as assigned by an appropriate authority.

1 (3) This compact is intended to regulate the temporary
2 in-person, face-to-face practice of psychology by psychologists
3 across state boundaries for thirty days within a calendar year in
4 the performance of their psychological practice as assigned by an
5 appropriate authority.

6 (4) This compact is intended to authorize state psychology
7 regulatory authorities to afford legal recognition, in a manner
8 consistent with the terms of the compact, to psychologists
9 licensed in another state.

10 (5) This compact recognizes that states have a vested
11 interest in protecting the public's health and safety through
12 their licensing and regulation of psychologists and that such
13 state regulation will best protect public health and safety.

14 (6) This compact does not apply when a psychologist is
15 licensed in both the home and receiving states.

16 (7) This compact does not apply to permanent in-person,
17 face-to-face practice, but it does allow for authorization of
18 temporary psychological practice.

19 b. Consistent with these principles, this compact is designed
20 to achieve the following purposes and objectives:

21 (1) Increase public access to professional psychological
22 services by allowing for telepsychological practice across state
23 lines as well as temporary in-person, face-to-face services into
24 a state in which the psychologist is not licensed to practice
25 psychology.

26 (2) Enhance the states' ability to protect the public's
27 health and safety, especially client-patient safety.

28 (3) Encourage the cooperation of compact states in the areas
29 of psychology licensure and regulation.

30 (4) Facilitate the exchange of information between compact
31 states regarding psychologist licensure, adverse actions, and
32 disciplinary history.

33 (5) Promote compliance with the laws governing psychological
34 practice in each compact state.

35 (6) Invest all compact states with the authority to hold

1 licensed psychologists accountable through the mutual recognition
2 of compact state licenses.

3 2. *Article II — Definitions.*

4 a. "Adverse action" means any action taken by a state
5 psychology regulatory authority which finds a violation of a
6 statute or regulation that is identified by the state psychology
7 regulatory authority as discipline and is a matter of public
8 record.

9 b. "Association of state and provincial psychology boards"
10 means the recognized membership organization composed of state
11 and provincial psychology regulatory authorities responsible for
12 the licensure and registration of psychologists throughout the
13 United States and Canada.

14 c. "Authority to practice interjurisdictional telepsychology"
15 means a licensed psychologist's authority to practice
16 telepsychology, within the limits authorized under this compact,
17 in another compact state.

18 d. "Bylaws" means those bylaws established by the psychology
19 interjurisdictional compact commission pursuant to article X for
20 its governance, or for directing and controlling its actions and
21 conduct.

22 e. "Client-patient" means the recipient of psychological
23 services, whether psychological services are delivered in the
24 context of health care, corporate, supervision, or consulting
25 services.

26 f. "Commissioner" means the voting representative appointed
27 by each state psychology regulatory authority pursuant to article
28 X.

29 g. "Compact state" means a state, the District of Columbia,
30 or United States territory that has enacted this compact
31 legislation and which has not withdrawn pursuant to article XIII,
32 or been terminated pursuant to article XII.

33 h. "Confidentiality" means the principle that data or
34 information is not made available or disclosed to unauthorized
35 persons or processes.

1 i. "Coordinated licensure information system" or "coordinated
2 database" means an integrated process for collecting, storing,
3 and sharing information on psychologists' licensure and
4 enforcement activities related to psychology licensure laws,
5 which is administered by the recognized membership organization
6 composed of state and provincial psychology regulatory
7 authorities.

8 j. "Day" means any part of a day in which psychological work
9 is performed.

10 k. "Distant state" means the compact state where a
11 psychologist is physically present, not through the use of
12 telecommunications technologies, to provide temporary in-person,
13 face-to-face psychological services.

14 l. "E.Passport" means a certificate issued by the association
15 of state and provincial psychology boards that promotes the
16 standardization in the criteria of interjurisdictional
17 telepsychology practice and facilitates the process for licensed
18 psychologists to provide telepsychological services across state
19 lines.

20 m. "Executive board" means a group of directors elected or
21 appointed to act on behalf of, and within the powers granted to
22 them by, the commission.

23 n. "Home state" means a compact state where a psychologist is
24 licensed to practice psychology. If the psychologist is licensed
25 in more than one compact state and is practicing under the
26 authorization to practice interjurisdictional telepsychology, the
27 home state is the compact state where the psychologist is
28 physically present when the telepsychological services are
29 delivered. If the psychologist is licensed in more than one
30 compact state and is practicing under the temporary authorization
31 to practice, the home state is any compact state where the
32 psychologist is licensed.

33 o. "Identity history summary" means a summary of information
34 retained by the federal bureau of investigation (FBI), or other
35 designee with similar authority, in connection with arrests and,

1 in some instances, federal employment, naturalization, or
2 military service.

3 *p.* "In-person, face-to-face" means interactions in which the
4 psychologist and the client-patient are in the same physical
5 space and which does not include interactions that may occur
6 through the use of telecommunication technologies.

7 *q.* "Interjurisdictional practice certificate" or "IPC" means
8 a certificate issued by the association of state and provincial
9 psychology boards that grants temporary authority to practice
10 based on notification to the state psychology regulatory
11 authority of intention to practice temporarily, and verification
12 of one's qualifications for such practice.

13 *r.* "License" means authorization by a state psychology
14 regulatory authority to engage in the independent practice of
15 psychology, which would be unlawful without the authorization.

16 *s.* "Noncompact state" means any state which is not at the
17 time a compact state.

18 *t.* "Psychologist" means an individual licensed for the
19 independent practice of psychology.

20 *u.* "Psychology interjurisdictional compact commission" or
21 "commission" means the national administration of which all
22 compact states are members.

23 *v.* "Receiving state" means a compact state where the
24 client-patient is physically located when the telepsychological
25 services are delivered.

26 *w.* "Rule" means a written statement by the psychology
27 interjurisdictional compact commission promulgated pursuant to
28 article XI that is of general applicability, implements,
29 interprets, or prescribes a policy or provision of this compact,
30 or an organizational, procedural, or practice requirement of the
31 commission and has the force and effect of statutory law in a
32 compact state, and includes the amendment, repeal, or suspension
33 of an existing rule.

34 *x.* "Significant investigatory information" means any of the
35 following:

1 (1) Investigative information that a state psychology
2 regulatory authority, after a preliminary inquiry that includes
3 notification and an opportunity to respond if required by state
4 law, has reason to believe, if proven true, would indicate more
5 than a violation of state statute or ethics code that would be
6 considered more substantial than a minor infraction.

7 (2) Investigative information that indicates that the
8 psychologist represents an immediate threat to public health and
9 safety regardless of whether the psychologist has been notified
10 or had an opportunity to respond.

11 y. "State" means a state, commonwealth, territory, or
12 possession of the United States, or the District of Columbia.

13 z. "State psychology regulatory authority" means the board,
14 office, or other agency with the legislative mandate to license
15 and regulate the practice of psychology.

16 aa. "Telepsychology" means the provision of psychological
17 services using telecommunication technologies.

18 ab. "Temporary authorization to practice" means a licensed
19 psychologist's authority to conduct temporary in-person,
20 face-to-face practice, within the limits authorized under this
21 compact, in another compact state.

22 ac. "Temporary in-person, face-to-face practice" means where
23 a psychologist is physically present, not through the use of
24 telecommunications technologies, in the distant state to provide
25 for the practice of psychology for thirty days within a calendar
26 year and based on notification to the distant state.

27 3. *Article III — Home state licensure.*

28 a. The home state shall be a compact state where a
29 psychologist is licensed to practice psychology.

30 b. A psychologist may hold one or more compact state licenses
31 at a time. If the psychologist is licensed in more than one
32 compact state, the home state is the compact state where the
33 psychologist is physically present when the services are
34 delivered as authorized by the authority to practice
35 interjurisdictional telepsychology under the terms of this

1 compact.

2 c. Any compact state may require a psychologist not
3 previously licensed in a compact state to obtain and retain a
4 license to be authorized to practice in the compact state under
5 circumstances not authorized by the authority to practice
6 interjurisdictional telepsychology under the terms of this
7 compact.

8 d. Any compact state may require a psychologist to obtain and
9 retain a license to be authorized to practice in a compact state
10 under circumstances not authorized by temporary authorization to
11 practice under the terms of this compact.

12 e. A home state's license authorizes a psychologist to
13 practice in a receiving state under the authority to practice
14 interjurisdictional telepsychology only if the compact state
15 meets all of the following requirements:

16 (1) Currently requires the psychologist to hold an active
17 E.Passport.

18 (2) Has a mechanism in place for receiving and investigating
19 complaints about licensed individuals.

20 (3) Notifies the commission, in compliance with the terms
21 herein, of any adverse action or significant investigatory
22 information regarding a licensed individual.

23 (4) Requires an identity history summary of all applicants at
24 initial licensure, including the use of the results of
25 fingerprints or other biometric data checks compliant with the
26 requirements of the federal bureau of investigation (FBI), or
27 other designee with similar authority, no later than ten years
28 after activation of the this compact.

29 (5) Complies with the bylaws and rules of the commission.

30 f. A home state's license grants temporary authorization to
31 practice to a psychologist in a distant state only if the compact
32 state meets all of the following requirements:

33 (1) Currently requires the psychologist to hold an active
34 IPC.

35 (2) Has a mechanism in place for receiving and investigating

1 complaints about licensed individuals.

2 (3) Notifies the commission, in compliance with the terms
3 herein, of any adverse action or significant investigatory
4 information regarding a licensed individual.

5 (4) Requires an identity history summary of all applicants at
6 initial licensure, including the use of the results of
7 fingerprints or other biometric data checks compliant with the
8 requirements of the federal bureau of investigation (FBI), or
9 other designee with similar authority, no later than ten years
10 after activation of this compact.

11 (5) Complies with the bylaws and rules of the commission.

12 4. *Article IV — Compact privilege to practice*
13 *telepsychology.*

14 a. Compact states shall recognize the right of a
15 psychologist, licensed in a compact state in conformance with
16 article III, to practice telepsychology in receiving states in
17 which the psychologist is not licensed, under the authority to
18 practice interjurisdictional telepsychology as provided in this
19 compact.

20 b. To exercise the authority to practice interjurisdictional
21 telepsychology under the terms and provisions of this compact, a
22 psychologist licensed to practice in a compact state shall meet
23 all of the following requirements:

24 (1) Hold a graduate degree in psychology from an institution
25 of higher education that was either of the following, at the time
26 the degree was awarded:

27 (a) Regionally accredited by an accrediting body recognized
28 by the United States department of education to grant graduate
29 degrees, or authorized by provincial statute or royal charter to
30 grant doctoral degrees.

31 (b) A foreign college or university deemed to be equivalent
32 to subparagraph (1), subparagraph division (a), by a foreign
33 credential evaluation service that is a member of the national
34 association of credential evaluation services or by a recognized
35 foreign credential evaluation service.

1 (2) Hold a graduate degree in psychology that meets all of
2 the following criteria:

3 (a) The program, wherever it may be administratively housed,
4 must be clearly identified and labeled as a psychology program.
5 Such a program must specify in pertinent institutional catalogues
6 and brochures its intent to educate and train professional
7 psychologists.

8 (b) The psychology program must stand as a recognizable,
9 coherent, organizational entity within the institution.

10 (c) There must be a clear authority and primary
11 responsibility for the core and specialty areas whether or not
12 the program cuts across administrative lines.

13 (d) The program must consist of an integrated, organized
14 sequence of study.

15 (e) There must be an identifiable psychology faculty
16 sufficient in size and breadth to carry out its responsibilities.

17 (f) The designated director of the program must be a
18 psychologist and a member of the core faculty.

19 (g) The program must have an identifiable body of students
20 who are matriculated in that program for a degree.

21 (h) The program must include supervised practicum,
22 internship, or field training appropriate to the practice of
23 psychology.

24 (i) The curriculum shall encompass a minimum of three
25 academic years of full-time graduate study for doctoral degrees
26 and a minimum of one academic year of full-time graduate study
27 for master's degrees.

28 (j) The program includes an acceptable residency as defined
29 by the rules of the commission.

30 (3) Possess a current, full, and unrestricted license to
31 practice psychology in a home state which is a compact state.

32 (4) Have no history of adverse action that violates the rules
33 of the commission.

34 (5) Have no criminal record history reported on an identity
35 history summary that violates the rules of the commission.

1 (6) Possess a current, active E.Passport.

2 (7) Provide attestations in regard to areas of intended
3 practice, conformity with standards of practice, competence in
4 telepsychology technology; criminal background; and knowledge and
5 adherence to legal requirements in the home and receiving states,
6 and provide a release of information to allow for primary source
7 verification in a manner specified by the commission.

8 (8) Meet other criteria as defined by the rules of the
9 commission.

10 c. The home state maintains authority over the license of any
11 psychologist practicing into a receiving state under the
12 authority to practice interjurisdictional telepsychology.

13 d. A psychologist practicing into a receiving state under the
14 authority to practice interjurisdictional telepsychology shall be
15 subject to the receiving state's scope of practice. A receiving
16 state may, in accordance with that state's due process law, limit
17 or revoke a psychologist's authority to practice
18 interjurisdictional telepsychology in the receiving state and may
19 take any other necessary actions under the receiving state's
20 applicable law to protect the health and safety of the receiving
21 state's citizens. If a receiving state takes action, the state
22 shall promptly notify the home state and the commission.

23 e. If a psychologist's license in any home state or another
24 compact state, or any authority to practice interjurisdictional
25 telepsychology in any receiving state, is restricted, suspended,
26 or otherwise limited, the E.Passport shall be revoked and the
27 psychologist shall not be eligible to practice telepsychology in
28 a compact state under the authority to practice
29 interjurisdictional telepsychology.

30 5. *Article V — Compact temporary authorization to*
31 *practice.*

32 a. Compact states shall also recognize the right of a
33 psychologist, licensed in a compact state in conformance with
34 article III, to practice temporarily in distant states in which
35 the psychologist is not licensed, as provided in this compact.

1 b. To exercise the temporary authorization to practice under
2 the terms and provisions of this compact, a psychologist licensed
3 to practice in a compact state shall meet all of the following
4 requirements:

5 (1) Hold a graduate degree in psychology from an institution
6 of higher education that was either of the following, at the time
7 the degree was awarded:

8 (a) Regionally accredited by an accrediting body recognized
9 by the United States department of education to grant graduate
10 degrees, or authorized by provincial statute or royal charter to
11 grant doctoral degrees.

12 (b) A foreign college or university deemed to be equivalent
13 to subparagraph (1), subparagraph division (a), by a foreign
14 credential evaluation service that is a member of the national
15 association of credential evaluation services or by a recognized
16 foreign credential evaluation service.

17 (2) Hold a graduate degree in psychology that meets all of
18 the following criteria:

19 (a) The program, wherever it may be administratively housed,
20 must be clearly identified and labeled as a psychology program.
21 Such a program must specify in pertinent institutional catalogues
22 and brochures its intent to educate and train professional
23 psychologists.

24 (b) The psychology program must stand as a recognizable,
25 coherent, organizational entity within the institution.

26 (c) There must be a clear authority and primary
27 responsibility for the core and specialty areas whether or not
28 the program cuts across administrative lines.

29 (d) The program must consist of an integrated, organized
30 sequence of study.

31 (e) There must be an identifiable psychology faculty
32 sufficient in size and breadth to carry out its responsibilities.

33 (f) The designated director of the program must be a
34 psychologist and a member of the core faculty.

35 (g) The program must have an identifiable body of students

1 who are matriculated in that program for a degree.

2 (h) The program must include supervised practicum,
3 internship, or field training appropriate to the practice of
4 psychology.

5 (i) The curriculum shall encompass a minimum of three
6 academic years of full-time graduate study for doctoral degrees
7 and a minimum of one academic year of full-time graduate study
8 for master's degrees.

9 (j) The program includes an acceptable residency as defined
10 by the rules of the commission.

11 (3) Possess a current, full, and unrestricted license to
12 practice psychology in a home state which is a compact state.

13 (4) Have no history of adverse action that violates the rules
14 of the commission.

15 (5) Have no criminal record history that violates the rules
16 of the commission.

17 (6) Possess a current, active IPC.

18 (7) Provide attestations in regard to areas of intended
19 practice and work experience and provide a release of information
20 to allow for primary source verification in a manner specified by
21 the commission.

22 (8) Meet other criteria as defined by the rules of the
23 commission.

24 c. A psychologist practicing into a distant state under the
25 temporary authorization to practice shall practice within the
26 scope of practice authorized by the distant state.

27 d. A psychologist practicing into a distant state under the
28 temporary authorization to practice shall be subject to the
29 distant state's authority and law. A distant state may, in
30 accordance with that state's due process law, limit or revoke a
31 psychologist's temporary authorization to practice in the distant
32 state and may take any other necessary actions under the distant
33 state's applicable law to protect the health and safety of the
34 distant state's citizens. If a distant state takes action, the
35 state shall promptly notify the home state and the commission.

1 e. If a psychologist's license in any home state, another
2 compact state, or any temporary authorization to practice in any
3 distant state, is restricted, suspended, or otherwise limited,
4 the IPC shall be revoked and the psychologist shall not be
5 eligible to practice in a compact state under the temporary
6 authorization to practice.

7 6. *Article VI — Conditions of telepsychology practice in a*
8 *receiving state.* A psychologist may practice in a receiving
9 state under the authority to practice interjurisdictional
10 telepsychology only in the performance of the scope of practice
11 for psychology as assigned by an appropriate state psychology
12 regulatory authority, as defined in the rules of the commission,
13 and under the following circumstances:

14 a. The psychologist initiates a client-patient contact in a
15 home state via telecommunications technologies with a
16 client-patient in a receiving state.

17 b. Other conditions regarding telepsychology as determined by
18 rules promulgated by the commission.

19 7. *Article VII — Adverse actions.*

20 a. A home state shall have the power to impose adverse action
21 against a psychologist's license issued by the home state. A
22 distant state shall have the power to take adverse action on a
23 psychologist's temporary authorization to practice within that
24 distant state.

25 b. A receiving state may take adverse action on a
26 psychologist's authority to practice interjurisdictional
27 telepsychology within that receiving state. A home state may
28 take adverse action against a psychologist based on an adverse
29 action taken by a distant state regarding temporary in-person,
30 face-to-face practice.

31 c. If a home state takes adverse action against a
32 psychologist's license, that psychologist's authority to practice
33 interjurisdictional telepsychology is terminated and the
34 E.Passport is revoked. Furthermore, that psychologist's
35 temporary authorization to practice is terminated and the IPC is

1 revoked.

2 (1) All home state disciplinary orders which impose adverse
3 action shall be reported to the commission in accordance with the
4 rules promulgated by the commission. A compact state shall
5 report adverse actions in accordance with the rules of the
6 commission.

7 (2) In the event discipline is reported on a psychologist,
8 the psychologist shall not be eligible for telepsychology or
9 temporary in-person, face-to-face practice in accordance with the
10 rules of the commission.

11 (3) Other actions may be imposed as determined by the rules
12 promulgated by the commission.

13 d. A home state's psychology regulatory authority shall
14 investigate and take appropriate action with respect to reported
15 inappropriate conduct engaged in by a licensee which occurred in
16 a receiving state as it would if such conduct had occurred by a
17 licensee within the home state. In such cases, the home state's
18 law shall control in determining any adverse action against a
19 psychologist's license.

20 e. A distant state's psychology regulatory authority shall
21 investigate and take appropriate action with respect to reported
22 inappropriate conduct engaged in by a psychologist practicing
23 under temporary authorization to practice which occurred in that
24 distant state as it would if such conduct had occurred by a
25 licensee within the home state. In such cases, the distant
26 state's law shall control in determining any adverse action
27 against a psychologist's temporary authorization to practice.

28 f. Nothing in this compact shall override a compact state's
29 decision that a psychologist's participation in an alternative
30 program may be used in lieu of adverse action and that such
31 participation shall remain nonpublic if required by the compact
32 state's law. Compact states shall require psychologists who
33 enter any alternative programs to not provide telepsychology
34 services under the authority to practice interjurisdictional
35 telepsychology or provide temporary psychological services under

1 the temporary authorization to practice in any other compact
2 state during the term of the alternative program.

3 g. No other judicial or administrative remedies shall be
4 available to a psychologist in the event a compact state imposes
5 an adverse action pursuant to paragraph "c".

6 8. *Article VIII — Additional authorities invested in a*
7 *compact state's psychology regulatory authority.* In addition to
8 any other powers granted under state law, a compact state's
9 psychology regulatory authority shall have the authority under
10 this compact to do all of the following:

11 a. Issue subpoenas, for both hearings and investigations,
12 which require the attendance and testimony of witnesses and the
13 production of evidence. Subpoenas issued by a compact state's
14 psychology regulatory authority for the attendance and testimony
15 of witnesses or the production of evidence from another compact
16 state shall be enforced in the latter state by any court of
17 competent jurisdiction, according to that court's practice and
18 procedure in considering subpoenas issued in its own proceedings.
19 The issuing state psychology regulatory authority shall pay any
20 witness fees, travel expenses, mileage, and other fees required
21 by the service statutes of the state where the witnesses or
22 evidence are located.

23 b. Issue cease and desist or injunctive relief orders to
24 revoke a psychologist's authority to practice interjurisdictional
25 telepsychology or temporary authorization to practice.

26 c. During the course of any investigation, a psychologist may
27 not change the psychologist's home state licensure. A home state
28 psychology regulatory authority is authorized to complete any
29 pending investigations of a psychologist and to take any actions
30 appropriate under its law. The home state psychology regulatory
31 authority shall promptly report the conclusions of such
32 investigations to the commission. Once an investigation has been
33 completed, and pending the outcome of said investigation, the
34 psychologist may change the psychologist's home state licensure.
35 The commission shall promptly notify the new home state of any

1 such decisions as provided in the rules of the commission. All
2 information provided to the commission or distributed by compact
3 states pursuant to the psychologist shall be confidential, filed
4 under seal, and used for investigatory or disciplinary matters.
5 The commission may create additional rules for mandated or
6 discretionary sharing of information by compact states.

7 9. *Article IX — Coordinated licensure information system.*

8 a. The commission shall provide for the development and
9 maintenance of a coordinated licensure information system and
10 reporting system containing licensure and disciplinary action
11 information on all psychologists individuals to whom this compact
12 is applicable in all compact states as defined by the rules of
13 the commission.

14 b. Notwithstanding any other provision of state law to the
15 contrary, a compact state shall submit a uniform data set to the
16 coordinated database on all licensees as required by the rules of
17 the commission, including all of the following:

18 (1) Identifying information.

19 (2) Licensure data.

20 (3) Significant investigatory information.

21 (4) Adverse actions against a psychologist's license.

22 (5) An indicator that a psychologist's authority to practice
23 interjurisdictional telepsychology or temporary authorization to
24 practice is revoked.

25 (6) Nonconfidential information related to alternative
26 program participation information.

27 (7) Any denial of application for licensure, and the reasons
28 for such denial.

29 (8) Other information which may facilitate the administration
30 of this compact, as determined by the rules of the commission.

31 c. The coordinated database administrator shall promptly
32 notify all compact states of any adverse action taken against, or
33 significant investigative information on, any licensee in a
34 compact state.

35 d. Compact states reporting information to the coordinated

1 database may designate information that may not be shared with
2 the public without the express permission of the compact state
3 reporting the information.

4 e. Any information submitted to the coordinated database that
5 is subsequently required to be expunged by the law of the compact
6 state reporting the information shall be removed from the
7 coordinated database.

8 10. *Article X — Establishment of the psychology*
9 *interjurisdictional compact commission.*

10 a. The compact states hereby create and establish a joint
11 public agency known as the psychology interjurisdictional compact
12 commission.

13 (1) The commission is a body politic and an instrumentality
14 of the compact states.

15 (2) Venue is proper and judicial proceedings by or against
16 the commission shall be brought solely and exclusively in a court
17 of competent jurisdiction where the principal office of the
18 commission is located. The commission may waive venue and
19 jurisdictional defenses to the extent it adopts or consents to
20 participate in alternative dispute resolution proceedings.

21 (3) Nothing in this compact shall be construed to be a waiver
22 of sovereign immunity.

23 b. Membership, voting, and meetings.

24 (1) The commission shall consist of one voting representative
25 appointed by each compact state who shall serve as that state's
26 commissioner. The state psychology regulatory authority shall
27 appoint its delegate. This delegate shall be empowered to act on
28 behalf of the compact state. This delegate shall be limited to
29 one of the following:

30 (a) The executive director, executive secretary, or similar
31 executive.

32 (b) A current member of the state psychology regulatory
33 authority of a compact state.

34 (c) A designee empowered with the appropriate delegate
35 authority to act on behalf of the compact state.

1 (2) Any commissioner may be removed or suspended from office
2 as provided by the law of the state from which the commissioner
3 is appointed. Any vacancy occurring in the commission shall be
4 filled in accordance with the laws of the compact state in which
5 the vacancy exists.

6 (3) Each commissioner shall be entitled to one vote with
7 regard to the promulgation of rules and creation of bylaws and
8 shall otherwise have an opportunity to participate in the
9 business and affairs of the commission. A commissioner shall
10 vote in person or by such other means as provided in the bylaws.
11 The bylaws may provide for commissioners' participation in
12 meetings by telephone or other means of communication.

13 (4) The commission shall meet at least once during each
14 calendar year. Additional meetings shall be held as set forth in
15 the bylaws.

16 (5) All meetings shall be open to the public, and public
17 notice of meetings shall be given in the same manner as required
18 under the rulemaking provisions in article XI.

19 (6) The commission may convene in a closed, nonpublic meeting
20 if the commission must discuss any of the following:

21 (a) Noncompliance of a compact state with its obligations
22 under this compact.

23 (b) The employment, compensation, discipline, or other
24 personnel matters, practices, or procedures related to specific
25 employees or other matters related to the commission's internal
26 personnel practices and procedures.

27 (c) Current, threatened, or reasonably anticipated litigation
28 against the commission.

29 (d) Negotiation of contracts for the purchase or sale of
30 goods, services, or real estate.

31 (e) Accusation against any person of a crime or formal
32 censure of any person.

33 (f) Disclosure of trade secrets or commercial or financial
34 information which is privileged or confidential.

35 (g) Disclosure of information of a personal nature where

1 disclosure would constitute a clearly unwarranted invasion of
2 personal privacy.

3 (h) Disclosure of investigatory records compiled for law
4 enforcement purposes.

5 (i) Disclosure of information related to any investigatory
6 reports prepared by or on behalf of or for use of the commission
7 or other committee charged with responsibility for investigation
8 or determination of compliance issues pursuant to the compact.

9 (j) Matters specifically exempted from disclosure by federal
10 and state statute.

11 (7) If a meeting, or portion of a meeting, is closed pursuant
12 to subparagraph (6), the commission's legal counsel or designee
13 shall certify that the meeting may be closed and shall reference
14 each relevant exempting provision. The commission shall keep
15 minutes which fully and clearly describe all matters discussed in
16 a meeting and shall provide a full and accurate summary of
17 actions taken, of any person participating in the meeting, and
18 the reasons therefore, including a description of the views
19 expressed. All documents considered in connection with an action
20 shall be identified in such minutes. All minutes and documents
21 of a closed meeting shall remain under seal, subject to release
22 only by a majority vote of the commission or order of a court of
23 competent jurisdiction.

24 c. The commission shall, by a majority vote of the
25 commissioners, prescribe bylaws or rules to govern its conduct as
26 may be necessary or appropriate to carry out the purposes and
27 exercise the powers of this compact, including but not limited to
28 or providing for all of the following:

29 (1) Establishing the fiscal year of the commission.

30 (2) Providing reasonable standards and procedures for all of
31 the following:

32 (a) The establishment and meetings of other committees.

33 (b) Governing any general or specific delegation of any
34 authority or function of the commission.

35 (3) Providing reasonable procedures for calling and

1 conducting meetings of the commission, ensuring reasonable
2 advance notice of all meetings and providing an opportunity for
3 attendance of such meetings by interested parties, with
4 enumerated exceptions designed to protect the public's interest,
5 the privacy of individuals of such proceedings, and proprietary
6 information, including trade secrets. The commission may meet in
7 closed session only after a majority of the commissioners vote to
8 close a meeting to the public in whole or in part. As soon as
9 practicable, the commission shall make public a copy of the vote
10 to close the meeting revealing the vote of each commissioner with
11 no proxy votes allowed.

12 (4) Establishing the titles, duties, and authority and
13 reasonable procedures for the election of the officers of the
14 commission.

15 (5) Providing reasonable standards and procedures for the
16 establishment of the personnel policies and programs of the
17 commission. Notwithstanding any civil service or other similar
18 law of any compact state, the bylaws shall exclusively govern the
19 personnel policies and programs of the commission.

20 (6) Promulgating a code of ethics to address permissible and
21 prohibited activities of commission members and employees.

22 (7) Providing a mechanism for concluding the operations of
23 the commission and the equitable disposition of any surplus funds
24 that may exist after the termination of the compact after the
25 payment or reserving of all of its debts and obligations.

26 (8) The commission shall publish its bylaws in a convenient
27 form and file a copy thereof and a copy of any amendment thereto,
28 with the appropriate agency or officer in each of the compact
29 states.

30 (9) The commission shall maintain its financial records in
31 accordance with the bylaws.

32 (10) The commission shall meet and take such actions as are
33 consistent with the provisions of this compact and the bylaws.

34 d. The commission shall have all of the following powers:

35 (1) The authority to promulgate uniform rules to facilitate

1 and coordinate implementation and administration of this compact.
2 The rules shall have the force and effect of law and shall be
3 binding in all compact states.

4 (2) To bring and prosecute legal proceedings or actions in
5 the name of the commission, provided that the standing of any
6 state psychology regulatory authority or other regulatory body
7 responsible for psychology licensure to sue or be sued under
8 applicable law shall not be affected.

9 (3) To purchase and maintain insurance and bonds.

10 (4) To borrow, accept, or contract for services of personnel,
11 including but not limited to employees of a compact state.

12 (5) To hire employees, elect or appoint officers, fix
13 compensation, define duties, grant such individuals appropriate
14 authority to carry out the purposes of the compact, and to
15 establish the commission's personnel policies and programs
16 relating to conflicts of interest, qualifications of personnel,
17 and other related personnel matters.

18 (6) To accept any and all appropriate donations and grants of
19 money, equipment, supplies, materials and services, and to
20 receive, utilize, and dispose of the same; provided that at all
21 times the commission shall strive to avoid any appearance of
22 impropriety or conflict of interest.

23 (7) To lease, purchase, accept appropriate gifts or donations
24 of, or otherwise to own, hold, improve, or use, any property,
25 real, personal, or mixed; provided that at all times the
26 commission shall strive to avoid any appearance of impropriety.

27 (8) To sell, convey, mortgage, pledge, lease, exchange,
28 abandon, or otherwise dispose of any property real, personal, or
29 mixed.

30 (9) To establish a budget and make expenditures.

31 (10) To borrow money.

32 (11) To appoint committees, including advisory committees
33 comprised of members, state regulators, state legislators or
34 their representatives, and consumer representatives, and such
35 other interested persons as may be designated in this compact and

1 the bylaws.

2 (12) To provide and receive information from, and to
3 cooperate with, law enforcement agencies.

4 (13) To adopt and use an official seal.

5 (14) To perform such other functions as may be necessary or
6 appropriate to achieve the purposes of this compact consistent
7 with the state regulation of psychology licensure, temporary
8 in-person, face-to-face practice, and telepsychology practice.

9 e. The executive board.

10 (1) The elected officers shall serve as the executive board,
11 which shall have the power to act on behalf of the commission
12 according to the terms of this compact.

13 (2) The executive board shall be comprised of the following
14 six members:

15 (a) Five voting members who are elected from the current
16 membership of the commission by the commission.

17 (b) One ex officio, nonvoting member from the recognized
18 membership organization composed of state and provincial
19 psychology regulatory authorities.

20 (3) The ex officio member must have served as staff or member
21 on a state psychology regulatory authority and shall be selected
22 by its respective organization.

23 (4) The commission may remove any member of the executive
24 board as provided in the bylaws.

25 (5) The executive board shall meet at least annually.

26 (6) The executive board shall have all of the following
27 duties and responsibilities:

28 (a) Recommend to the entire commission changes to the rules
29 or bylaws, changes to this compact legislation, fees paid by
30 compact states such as annual dues, and any other applicable
31 fees.

32 (b) Ensure compact administration services are appropriately
33 provided, contractual or otherwise.

34 (c) Prepare and recommend the budget.

35 (d) Maintain financial records on behalf of the commission.

1 (e) Monitor compact compliance of member states and provide
2 compliance reports to the commission.

3 (f) Establish additional committees as necessary.

4 (g) Other duties as provided in the rules or bylaws.

5 f. Financing of the commission.

6 (1) The commission shall pay, or provide for the payment of,
7 the reasonable expenses of its establishment, organization, and
8 ongoing activities.

9 (2) The commission may accept any and all appropriate revenue
10 sources, donations and grants of money, equipment, supplies,
11 materials, and services.

12 (3) The commission may levy on and collect an annual
13 assessment from each compact state or impose fees on other
14 parties to cover the cost of the operations and activities of the
15 commission and its staff which must be in a total amount
16 sufficient to cover its annual budget as approved each year for
17 which revenue is not provided by other sources. The aggregate
18 annual assessment amount shall be allocated based upon a formula
19 to be determined by the commission which shall promulgate a rule
20 binding upon all compact states.

21 (4) The commission shall not incur obligations of any kind
22 prior to securing the funds adequate to meet the same; nor shall
23 the commission pledge the credit of any of the compact states,
24 except by and with the authority of the compact state.

25 (5) The commission shall keep accurate accounts of all
26 receipts and disbursements. The receipts and disbursements of
27 the commission shall be subject to the audit and accounting
28 procedures established under its bylaws. However, all receipts
29 and disbursements of funds handled by the commission shall be
30 audited yearly by a certified or licensed public accountant and
31 the report of the audit shall be included in and become part of
32 the annual report of the commission.

33 g. Qualified immunity, defense, and indemnification.

34 (1) The members, officers, executive director, employees, and
35 representatives of the commission shall be immune from suit and

1 liability, either personally or in their official capacity, for
2 any claim for damage to or loss of property or personal injury or
3 other civil liability caused by or arising out of any actual or
4 alleged act, error, or omission that occurred, or that the person
5 against whom the claim is made had a reasonable basis for
6 believing occurred within the scope of commission employment,
7 duties, or responsibilities; provided that nothing in this
8 subparagraph shall be construed to protect any such person from
9 suit or liability for any damage, loss, injury, or liability
10 caused by the intentional or willful or wanton misconduct of that
11 person.

12 (2) The commission shall defend any member, officer,
13 executive director, employee, or representative of the commission
14 in any civil action seeking to impose liability arising out of
15 any actual or alleged act, error, or omission that occurred
16 within the scope of commission employment, duties, or
17 responsibilities, or that the person against whom the claim is
18 made had a reasonable basis for believing occurred within the
19 scope of commission employment, duties, or responsibilities;
20 provided that nothing in this subparagraph shall be construed to
21 prohibit that person from retaining the person's own counsel; and
22 provided further, that the actual or alleged act, error, or
23 omission did not result from that person's intentional or willful
24 or wanton misconduct.

25 (3) The commission shall indemnify and hold harmless any
26 member, officer, executive director, employee, or representative
27 of the commission for the amount of any settlement or judgment
28 obtained against that person arising out of any actual or alleged
29 act, error, or omission that occurred within the scope of
30 commission employment, duties, or responsibilities, or that such
31 person had a reasonable basis for believing occurred within the
32 scope of commission employment, duties, or responsibilities,
33 provided that the actual or alleged act, error, or omission did
34 not result from the intentional or willful or wanton misconduct
35 of that person.

1 11. *Article XI — Rulemaking.*

2 a. The commission shall exercise its rulemaking powers
3 pursuant to the criteria set forth in this article XI and the
4 rules adopted under this article XI. Rules and amendments shall
5 become binding as of the date specified in each rule or
6 amendment.

7 b. If a majority of the legislatures of the compact states
8 rejects a rule, by enactment of a statute or resolution in the
9 same manner used to adopt this compact, then such rule shall have
10 no further force and effect in any compact state.

11 c. Rules or amendments to the rules shall be adopted at a
12 regular or special meeting of the commission.

13 d. Prior to promulgation and adoption of a final rule or
14 rules by the commission, and at least sixty days in advance of
15 the meeting at which the rule will be considered and voted upon,
16 the commission shall file a notice of proposed rulemaking on both
17 of the following:

18 (1) On the internet site of the commission.

19 (2) On the internet site of each compact state's psychology
20 regulatory authority or the publication in which each state would
21 otherwise publish proposed rules.

22 e. The notice of proposed rulemaking shall include all of the
23 following:

24 (1) The proposed time, date, and location of the meeting in
25 which the rule will be considered and voted upon.

26 (2) The text of the proposed rule or amendment and the reason
27 for the proposed rule.

28 (3) A request for comments on the proposed rule from any
29 interested person.

30 (4) The manner in which interested persons may submit notice
31 to the commission of their intention to attend the public hearing
32 and any written comments.

33 f. Prior to adoption of a proposed rule, the commission shall
34 allow persons to submit written data, facts, opinions, and
35 arguments, which shall be made available to the public.

1 g. The commission shall grant an opportunity for a public
2 hearing before it adopts a rule or amendment if a hearing is
3 requested by any of the following:

4 (1) At least twenty-five persons who submit comments
5 independently of each other.

6 (2) A governmental subdivision or agency.

7 (3) A duly appointed person in an association that has at
8 least twenty-five members.

9 h. If a hearing is held on the proposed rule or amendment,
10 the commission shall publish the place, time, and date of the
11 scheduled public hearing.

12 (1) All persons wishing to be heard at the hearing shall
13 notify the executive director of the commission or other
14 designated member in writing of their desire to appear and
15 testify at the hearing not less than five business days before
16 the scheduled date of the hearing.

17 (2) Hearings shall be conducted in a manner providing each
18 person who wishes to comment a fair and reasonable opportunity to
19 comment orally or in writing.

20 (3) No transcript of the hearing is required, unless a
21 written request for a transcript is made, in which case the
22 person requesting the transcript shall bear the cost of producing
23 the transcript. A recording may be made in lieu of a transcript
24 under the same terms and conditions as a transcript. This
25 subparagraph shall not preclude the commission from making a
26 transcript or recording of the hearing if it so chooses.

27 (4) Nothing in this article shall be construed as requiring a
28 separate hearing on each rule. Rules may be grouped for the
29 convenience of the commission at hearings required by this
30 article.

31 i. Following the scheduled hearing date, or by the close of
32 business on the scheduled hearing date if the hearing was not
33 held, the commission shall consider all written and oral comments
34 received.

35 j. The commission shall, by majority vote of all members,

1 take final action on the proposed rule and shall determine the
2 effective date of the rule, if any, based on the rulemaking
3 record and the full text of the rule.

4 k. If no written notice of intent to attend the public
5 hearing by interested parties is received, the commission may
6 proceed with promulgation of the proposed rule without a public
7 hearing.

8 l. Upon determination that an emergency exists, the
9 commission may consider and adopt an emergency rule without prior
10 notice, opportunity for comment, or hearing, provided that the
11 usual rulemaking procedures provided in this compact and in this
12 article shall be retroactively applied to the rule as soon as
13 reasonably possible, in no event later than ninety days after the
14 effective date of the rule. For the purposes of this paragraph,
15 an emergency rule is one that must be adopted immediately in
16 order to address any of the following:

17 (1) Meet an imminent threat to public health, safety, or
18 welfare.

19 (2) Prevent a loss of commission or compact state funds.

20 (3) Meet a deadline for the promulgation of an administrative
21 rule that is established by federal law or rule.

22 (4) Protect public health and safety.

23 m. The commission or an authorized committee of the
24 commission may direct revisions to a previously adopted rule or
25 amendment for purposes of correcting typographical errors, errors
26 in format, errors in consistency, or grammatical errors. Public
27 notice of any revisions shall be posted on the website of the
28 commission. The revision shall be subject to challenge by any
29 person for a period of thirty days after posting. The revision
30 may be challenged only on grounds that the revision results in a
31 material change to a rule. A challenge shall be made in writing,
32 and delivered to the chair of the commission prior to the end of
33 the notice period. If no challenge is made, the revision will
34 take effect without further action. If the revision is
35 challenged, the revision shall not take effect without the

1 approval of the commission.

2 12. *Article XII — Oversight, dispute resolution, and*
3 *enforcement.*

4 *a. Oversight.*

5 (1) The executive, legislative, and judicial branches of
6 state government in each compact state shall enforce this compact
7 and take all actions necessary and appropriate to effectuate this
8 compact's purposes and intent. The provisions of this compact
9 and the rules promulgated under this compact shall have standing
10 as statutory law.

11 (2) All courts shall take judicial notice of this compact and
12 the rules in any judicial or administrative proceeding in a
13 compact state pertaining to the subject matter of this compact
14 which may affect the powers, responsibilities, or actions of the
15 commission.

16 (3) The commission shall be entitled to receive service of
17 process in any such proceeding, and shall have standing to
18 intervene in such a proceeding for all purposes. Failure to
19 provide service of process to the commission shall render a
20 judgment or order void as to the commission, this compact, or
21 promulgated rules.

22 *b. Default, technical assistance, and termination.*

23 (1) If the commission determines that a compact state has
24 defaulted in the performance of its obligations or
25 responsibilities under this compact or the promulgated rules, the
26 commission shall do all of the following:

27 (a) Provide written notice to the defaulting state and other
28 compact states of the nature of the default, the proposed means
29 of remedying the default, or any other action to be taken by the
30 commission.

31 (b) Provide remedial training and specific technical
32 assistance regarding the default.

33 (2) If a state in default fails to remedy the default, the
34 defaulting state may be terminated from this compact upon an
35 affirmative vote of a majority of the compact states, and all

1 rights, privileges, and benefits conferred by this compact shall
2 be terminated on the effective date of termination. A remedy of
3 the default does not relieve the offending state of obligations
4 or liabilities incurred during the period of default.

5 (3) Termination of membership in this compact shall be
6 imposed only after all other means of securing compliance have
7 been exhausted. Notice of intent to suspend or terminate shall
8 be submitted by the commission to the governor, the majority and
9 minority leaders of the defaulting state's legislature, and each
10 of the compact states.

11 (4) A compact state which has been terminated is responsible
12 for all assessments, obligations, and liabilities incurred
13 through the effective date of termination, including obligations
14 which extend beyond the effective date of termination.

15 (5) The commission shall not bear any costs incurred by the
16 state which is found to be in default or which has been
17 terminated from this compact, unless agreed upon in writing
18 between the commission and the defaulting state.

19 (6) The defaulting state may appeal the action of the
20 commission by petitioning the United States district court for
21 the state of Georgia or the federal district where the compact
22 has its principal offices. The prevailing member shall be
23 awarded all costs of such litigation, including reasonable
24 attorney fees.

25 *c. Dispute resolution.*

26 (1) Upon request by a compact state, the commission shall
27 attempt to resolve disputes related to this compact which arise
28 among compact states and between compact and noncompact states.

29 (2) The commission shall promulgate a rule providing for both
30 mediation and binding dispute resolution for disputes that arise
31 before the commission.

32 *d. Enforcement.*

33 (1) The commission, in the reasonable exercise of its
34 discretion, shall enforce the provisions and rules of this
35 compact.

1 (2) By majority vote, the commission may initiate legal
2 action in the United States district court for the state of
3 Georgia or the federal district where the compact has its
4 principal offices against a compact state in default to enforce
5 compliance with the provisions of the compact and its promulgated
6 rules and bylaws. The relief sought may include both injunctive
7 relief and damages. In the event judicial enforcement is
8 necessary, the prevailing member shall be awarded all costs of
9 such litigation, including reasonable attorney's fees.

10 (3) The remedies in this article shall not be the exclusive
11 remedies of the commission. The commission may pursue any other
12 remedies available under federal or state law.

13 13. *Article XIII — Date of implementation of the psychology*
14 *interjurisdictional compact commission and associated rules,*
15 *withdrawal, and amendments.*

16 a. This compact shall come into effect on the date on which
17 the compact is enacted into law in the seventh compact state.
18 The provisions which become effective at that time shall be
19 limited to the powers granted to the commission relating to
20 assembly and the promulgation of rules. Thereafter, the
21 commission shall meet and exercise rulemaking powers necessary to
22 the implementation and administration of this compact.

23 b. Any state which joins the compact subsequent to the
24 commission's initial adoption of the rules shall be subject to
25 the rules as they exist on the date on which the compact becomes
26 law in that state. Any rule which has been previously adopted by
27 the commission shall have the full force and effect of law on the
28 day the compact becomes law in that state.

29 c. Any compact state may withdraw from this compact by
30 enacting a statute repealing the compact.

31 (1) A compact state's withdrawal shall not take effect until
32 six months after enactment of the repealing statute.

33 (2) Withdrawal shall not affect the continuing requirement of
34 the withdrawing state's psychology regulatory authority to comply
35 with the investigative and adverse action reporting requirements

1 of this compact prior to the effective date of withdrawal.

2 d. Nothing contained in this compact shall be construed to
3 invalidate or prevent any psychology licensure agreement or other
4 cooperative arrangement between a compact state and a noncompact
5 state which does not conflict with the provisions of this
6 compact.

7 e. This compact may be amended by the compact states. No
8 amendment to this compact shall become effective and binding upon
9 any compact state until it is enacted into the law of all compact
10 states.

11 14. *Article XIV — Construction and severability.* This
12 compact shall be liberally construed so as to effectuate the
13 purposes thereof. If this compact shall be held contrary to the
14 constitution of any compact state, the compact shall remain in
15 full force and effect as to the remaining compact states.

16 DIVISION VII

17 CIGARETTE TAXATION

18 Sec. 24. Section 453A.6, subsection 1, Code 2026, is amended
19 to read as follows:

20 1. There is imposed, and shall be collected and paid to the
21 department, a tax on all cigarettes used or otherwise disposed of
22 in this state for any purpose equal to ~~six~~ ten and ~~eight-tenths~~
23 five hundredths cents on each cigarette.

24 Sec. 25. Section 453A.6, subsection 8, paragraph a, Code
25 2026, is amended to read as follows:

26 a. Pay directly to the department, in lieu of the tax under
27 subsection 1, a tax equal to ~~three~~ four and ~~six~~ fifty-two
28 hundredths cents on each cigarette dispensed from such machine.
29 Payments made under this paragraph shall be remitted to the
30 department electronically.

31 DIVISION VIII

32 TAX ON TOBACCO PRODUCTS

33 Sec. 26. Section 453A.43, Code 2026, is amended to read as
34 follows:

35 **453A.43 Tax on tobacco products.**

1 1. a. A tax is imposed upon all tobacco products in this
2 state and upon any person engaged in business as a distributor of
3 tobacco products, at the rate of ~~twenty-two~~ fifty-five percent of
4 the wholesale sales price of the tobacco products, ~~except little~~
5 ~~cigars and snuff as defined in section 453A.42.~~ Notwithstanding
6 the rate of tax imposed under this paragraph "a" on tobacco
7 products, little cigars shall be subject to the tax as specified
8 pursuant to paragraph "c", and snuff shall be subject to the tax
9 as specified in paragraph "d".

10 ~~b. In addition to the tax imposed under paragraph "a", a~~
11 ~~tax is imposed upon all tobacco products in this state and~~
12 ~~upon any person engaged in business as a distributor of tobacco~~
13 ~~products, at the rate of twenty-eight percent of the wholesale~~
14 ~~sales price of the tobacco products, except little cigars and~~
15 ~~snuff as defined in section 453A.42.~~

16 e. b. Notwithstanding the rate of tax imposed pursuant to
17 ~~paragraphs~~ paragraph "a" and "b", if the tobacco product is a
18 cigar, the total amount of the tax imposed pursuant to ~~paragraphs~~
19 paragraph "a" and "b" combined shall not exceed fifty fifty-five
20 cents per cigar.

21 ~~d.~~ c. Little cigars shall be subject to the same rate of tax
22 imposed upon cigarettes in section 453A.6, payable at the time
23 and in the manner provided in section 453A.6; and stamps shall be
24 affixed as provided in subchapter I of this chapter.

25 d. Snuff shall be subject to the tax as provided in
26 subsections 3 and 4.

27 e. The taxes on tobacco products, ~~excluding little cigars and~~
28 ~~snuff~~, shall be imposed at the time the distributor does any of
29 the following:

30 (1) Brings, or causes to be brought, into this state from
31 outside the state tobacco products for sale.

32 (2) Makes, manufactures, or fabricates tobacco products in
33 this state for sale in this state.

34 (3) Ships or transports tobacco products to retailers in this
35 state, to be sold by those retailers.

1 2. a. A tax is imposed upon the use or storage by consumers
2 of tobacco products in this state, and upon the consumers, at the
3 rate of ~~twenty-two~~ fifty-five percent of the cost of the tobacco
4 products.

5 ~~b. In addition to the tax imposed in paragraph "a", a tax is~~
6 ~~imposed upon the use or storage by consumers of tobacco products~~
7 ~~in this state, and upon the consumers, at a rate of twenty-eight~~
8 ~~percent of the cost of the tobacco products.~~

9 ~~e. b.~~ Notwithstanding the rate of tax imposed pursuant to
10 ~~paragraphs~~ paragraph "a" and "b", if the tobacco product is a
11 cigar, the total amount of the tax imposed pursuant to ~~paragraphs~~
12 paragraph "a" and "b" combined shall not exceed fifty fifty-five
13 cents per cigar.

14 ~~d. c.~~ The taxes imposed by this subsection shall not apply
15 if the taxes imposed by subsection 1 on the tobacco products have
16 been paid.

17 ~~e. d.~~ The taxes imposed under this subsection shall not
18 apply to the use or storage of tobacco products in quantities of:

19 (1) Less than twenty-five cigars.

20 (2) Less than one pound smoking or chewing tobacco or other
21 tobacco products not specifically mentioned herein in this
22 chapter, in the possession of any one consumer.

23 3. A tax is imposed upon all snuff in this state and upon any
24 person engaged in business as a distributor of snuff at the rate
25 of ~~one dollar and nineteen cents per ounce, with a proportionate~~
26 ~~tax at the same rate on all fractional parts of an ounce of snuff~~
27 fifty-five percent of the wholesale sales price. ~~The tax shall~~
28 ~~be computed based on the net weight listed by the manufacturer.~~
29 The tax on snuff shall be imposed at the time the distributor
30 does any of the following:

31 a. Brings or causes to be brought into this state from
32 outside the state, snuff for sale.

33 b. Makes, manufactures, or fabricates snuff in this state for
34 sale in this state.

35 c. Ships or transports snuff to retailers in this state, to

1 be sold by those retailers.

2 4. a. A tax is imposed upon the use or storage by consumers
3 of snuff in this state, and upon the consumers, at the rate of
4 ~~one dollar and nineteen cents per ounce with a proportionate~~
5 ~~tax at the same rate on all fractional parts of an ounce of~~
6 ~~snuff~~ fifty-five percent of the wholesale sales price. The tax
7 ~~shall be computed based on the net weight as listed by the~~
8 ~~manufacturer.~~

9 b. The tax imposed by this subsection shall not apply if the
10 tax imposed by subsection 3 on snuff has been paid.

11 c. The tax shall not apply to the use or storage of snuff in
12 quantities of less than ten ounces.

13 5. Any tobacco product with respect to which a tax has once
14 been imposed under this subchapter shall not again be subject to
15 tax under this subchapter, except as provided in section 453A.40.

16 6. The tax imposed by this section shall not apply with
17 respect to any tobacco product which under the Constitution and
18 laws of the United States may not be made the subject of taxation
19 by this state.

20 7. The tax imposed by this section shall be in addition to
21 all other occupation or privilege taxes or license fees ~~now or~~
22 ~~hereafter~~ imposed by any city or county.

23 8. All excise taxes collected under this chapter by a
24 distributor or any individual are deemed to be held in trust for
25 the state of Iowa.

26 DIVISION IX

27 EXCISE TAX ON VAPOR PRODUCTS

28 Sec. 27. Section 331.303, subsection 3, Code 2026, is amended
29 to read as follows:

30 3. Act upon applications for cigarette, tobacco product, and
31 vapor product tax permits in accordance with chapter 453A.

32 Sec. 28. Section 331.653, subsection 11, Code 2026, is
33 amended to read as follows:

34 11. Carry out duties relating to the seizure and forfeiture
35 of cigarettes, tobacco products, and vapor products, vehicles,

1 and other property used in violation of cigarette, tobacco
2 product, and vapor product tax laws as provided in section
3 453A.32.

4 Sec. 29. Section 331.756, subsection 19, Code 2026, is
5 amended to read as follows:

6 19. Assist, at the request of the director of revenue, in the
7 enforcement of ~~eigar~~ and cigarette, tobacco product, and vapor
8 product tax laws as provided in sections 453A.32 and 453A.49.

9 Sec. 30. Section 453A.1, subsection 21, Code 2026, is amended
10 to read as follows:

11 21. "Place of business" is construed to mean and include any
12 place where cigarettes, tobacco products, or vapor products are
13 sold or where cigarettes, tobacco products, or vapor products are
14 stored within or without the state of Iowa by the holder of an
15 Iowa permit or kept for the purpose of sale or consumption; or if
16 sold from any vehicle or train, the vehicle or train on which or
17 from which such cigarettes, tobacco products, or vapor products
18 are sold shall constitute a place of business; or for a business
19 within or without the state that conducts delivery sales, any
20 place where alternative nicotine products or vapor products are
21 sold or where alternative nicotine products or vapor products are
22 kept for the purpose of sale.

23 Sec. 31. Section 453A.15, subsections 1, 2, and 4, Code 2026,
24 are amended to read as follows:

25 1. The director may prescribe the forms necessary for the
26 efficient administration of this subchapter and may require
27 uniform books and records to be used and kept by each permit
28 holder or other person as deemed necessary. The director
29 may also require each permit holder or other person to keep
30 and retain in the director's possession evidence on prescribed
31 forms of all transactions involving the purchase and sale of
32 cigarettes, tobacco products, or vapor products, or the purchase
33 and use of stamps. The evidence shall be kept for a period of
34 three years from the date of each transaction, for the inspection
35 at all times by the department.

1 2. Where a state permit holder sells cigarettes, tobacco
2 products, or vapor products at retail, the holder shall be
3 required to maintain detailed records for sales of cigarettes,
4 tobacco products, or vapor products to be sold at retail and ~~the~~
5 cigarette such sales records shall be kept separate and apart.

6 4. Every permit holder or other person shall, when requested
7 by the department, make additional reports as the department
8 deems necessary and proper and shall at the request of the
9 department furnish full and complete information pertaining to
10 any transaction of the permit holder or other person involving
11 the purchase or sale or use of cigarettes, tobacco products, or
12 vapor products, or purchase of cigarette stamps.

13 Sec. 32. Section 453A.24, Code 2026, is amended to read as
14 follows:

15 **453A.24 Carrier to permit access to records.**

16 1. Every common carrier or person in this state having
17 custody of books or records showing the transportation of
18 cigarettes, tobacco products, or vapor products, both interstate
19 and intrastate, shall give and allow the department free access
20 to those books and records.

21 2. The director may require by rule that common carriers or
22 the appropriate persons provide monthly reports to the department
23 detailing all information the department deems necessary on
24 shipments into and out of Iowa of cigarettes, and tobacco
25 products, alternative nicotine products, or vapor products as set
26 forth in this subchapter I and subchapter II of this chapter. A
27 report required to be submitted by the director pursuant to this
28 section shall be filed electronically.

29 Sec. 33. Section 453A.32, subsection 6, Code 2026, is amended
30 to read as follows:

31 6. The provisions of this section applying to cigarettes
32 shall also apply to tobacco products, alternative nicotine
33 products, and vapor products taxed under subchapter II of this
34 chapter.

35 Sec. 34. Section 453A.33, Code 2026, is amended to read as

1 follows:

2 **453A.33 Seizure not to affect criminal prosecution.**

3 The seizure, forfeiture, and sale of cigarettes, tobacco
4 products, alternative nicotine products, vapor products, and
5 other property under the terms and conditions set out in section
6 453A.32, shall not constitute any defense to the person owning
7 or having control or possession of the property from criminal
8 prosecution for any act or omission made or offense committed
9 under this chapter or from liability to pay penalties provided by
10 this chapter.

11 Sec. 35. Section 453A.35, subsection 1, paragraph b, Code
12 2026, is amended to read as follows:

13 b. The revenues generated from the tax on consumable hemp
14 products as specified in section 453F.2, from the tax on
15 cigarettes pursuant to section 453A.6, ~~subsection 1~~ subsections
16 1 and 8, from the tax on tobacco products as specified in section
17 453A.43, subsections 1, 2, 3, and 4, from the tax on vapor
18 products as specified in section 453A.47D, and from the fees and
19 penalties specified in subchapter III shall be credited to the
20 health care trust fund created in section 453A.35A.

21 Sec. 36. Section 453A.35A, subsection 1, Code 2026, is
22 amended to read as follows:

23 1. A health care trust fund is created in the office of
24 the treasurer of state. The fund consists of the revenues
25 generated from the tax on consumable hemp products as specified
26 in section 453F.2, from the tax on cigarettes pursuant to section
27 453A.6, ~~subsection 1~~ subsections 1 and 8, from the tax on tobacco
28 products as specified in section 453A.43, subsections 1, 2, 3,
29 and 4, from the tax on vapor products as specified in section
30 453A.47D, and from the fees and penalties specified in subchapter
31 III, that are credited to the health care trust fund, annually,
32 pursuant to section 453A.35. Moneys in the fund shall be
33 separate from the general fund of the state and shall not be
34 considered part of the general fund of the state. Moneys in the
35 fund shall be used only as specified in this section and shall

1 be appropriated only for the uses specified. Moneys in the fund
2 are not subject to section 8.33 and shall not be transferred,
3 used, obligated, appropriated, or otherwise encumbered, except
4 as provided in this section. Notwithstanding section 12C.7,
5 subsection 2, interest or earnings on moneys deposited in the
6 fund shall be credited to the fund.

7 Sec. 37. Section 453A.39, subsection 1, Code 2026, is amended
8 to read as follows:

9 1. A manufacturer, distributor, wholesaler, retailer, or
10 distributing agent, or an agent thereof of a manufacturer,
11 distributor, wholesaler, retailer, or distributing agent, shall
12 not give away cigarettes, ~~or~~ tobacco products, or vapor products
13 at any time in connection with the manufacturer's, distributor's,
14 wholesaler's, retailer's, or distributing agent's business or
15 for promotion of the business or product, except as provided in
16 subsection 2.

17 Sec. 38. Section 453A.40, subsections 1 and 3, Code 2026, are
18 amended to read as follows:

19 1. All persons required to obtain a permit or to be
20 licensed under section 453A.13 or section 453A.44 having in their
21 possession and held for resale on the effective date of an
22 increase in the tax rate cigarettes, little cigars, ~~or~~ tobacco
23 products, or vapor products upon which the tax under section
24 453A.6, ~~or~~ 453A.43, or 453A.47D has been paid, unused cigarette
25 tax stamps which have been paid for under section 453A.8, unused
26 metered imprints which have been paid for under section 453A.12,
27 or tobacco products for which the tax has not been paid under
28 section 453A.46 shall be subject to an inventory tax on the items
29 as provided in this section.

30 3. The rate of the inventory tax on each item subject to
31 the tax as specified in subsection 1 is equal to the difference
32 between the amount paid on each item under section 453A.6,
33 453A.8, 453A.12, ~~or~~ 453A.43, or 453A.47D prior to the tax
34 increase and the amount that is to be paid on each similar item
35 under section 453A.6, 453A.8, 453A.12, ~~or~~ 453A.43, or 453A.47D

1 after the tax increase except that in computing the rate of the
2 inventory tax any discount allowed or allowable under section
3 453A.8 shall not be considered.

4 Sec. 39. Section 453A.42, subsections 1, 2, 8, 9, 10, 12, 14,
5 and 17, Code 2026, are amended to read as follows:

6 1. "Business" means any trade, occupation, activity, or
7 enterprise engaged in for the purpose of selling or distributing
8 tobacco products or vapor products in this state.

9 2. "Consumer" means any person who has title to or possession
10 of tobacco products or vapor products in storage, for use or
11 other consumption in this state.

12 8. "Person" means any individual, firm, association,
13 partnership, joint stock company, joint adventure venture,
14 corporation, trustee, agency, or receiver, or any legal
15 representative of any of ~~the foregoing~~ individual, firm,
16 association, partnership, joint stock company, joint venture,
17 corporation, trustee, agency, or receiver.

18 9. "Place of business" means any place where tobacco products
19 are sold or where tobacco products or vapor products are
20 manufactured, stored, or kept for the purpose of sale or
21 consumption, including any vessel, vehicle, airplane, train,
22 or vending machine; or for a business within or without the
23 state that conducts delivery sales, any place where alternative
24 nicotine products or vapor products are sold or where alternative
25 nicotine products or vapor products are kept for the purpose of
26 sale, including delivery sales.

27 10. "Retail outlet" means each place of business from which
28 tobacco products or vapor products are sold to consumers.

29 12. "Sale" means any transfer, exchange, or barter, in any
30 manner or by any means whatsoever, for a consideration, and
31 includes and means all sales made by any person. It includes
32 a gift by a person engaged in the business of selling tobacco
33 products or vapor products, for advertising, as a means of
34 evading the provisions of this subchapter, or for any other
35 purposes whatsoever.

1 14. "Storage" means any keeping or retention of tobacco
2 products or vapor products for use or consumption in this state.

3 17. "Use" means the exercise of any right or power incidental
4 to the ownership of tobacco products or vapor products.

5 Sec. 40. Section 453A.42, Code 2026, is amended by adding the
6 following new subsection:

7 NEW SUBSECTION. 10A. "Retail sales price" means the same as
8 "sales price" as defined in section 423.1.

9 Sec. 41. Section 453A.45, subsection 3, Code 2026, is amended
10 to read as follows:

11 3. Every retailer and subjobber shall procure itemized
12 invoices of all tobacco products and vapor products purchased.
13 The invoices shall show the name and address of the seller and
14 the date of purchase. The retailer and subjobber shall preserve
15 a legible copy of each invoice for three years from the date
16 of purchase. Invoices shall be available for inspection by the
17 director or the director's authorized agents or employees at the
18 retailer's or subjobber's place of business.

19 Sec. 42. NEW SECTION. **453A.47D Excise tax on vapor**
20 **products.**

21 1. An excise tax at a rate of fifteen percent is imposed
22 on the retail sales price from the retail sale of, including
23 a delivery sale, of a vapor product. The amount of tax shall
24 be added to the retail sales price at the point of sale to the
25 consumer and shall be collected from the consumer.

26 2. The tax imposed by this section shall not apply with
27 respect to any vapor product which under the Constitution and
28 laws of the United States may not be made the subject of taxation
29 by this state.

30 3. The director shall administer the excise tax imposed under
31 this section as nearly as possible in conjunction with the
32 administration of the state sales and use tax law, except that
33 portion of the law that implements the streamlined sales and use
34 tax agreement. The director shall provide appropriate forms,
35 or provide on the regular state tax forms, for reporting vapor

1 product excise tax liability, and for ease of administration
2 may require vapor product excise tax liability to be identified,
3 reported, and remitted to the department as sales and use tax
4 liability, provided the department has the ability to properly
5 identify such amounts as vapor product excise tax revenues upon
6 receipt.

7 4. The director may require all persons who are engaged
8 in the business of deriving any sales price or purchase
9 price subject to tax under this section to register with
10 the department. The director may also require a tax permit
11 applicable only to this section for any vapor product retailer
12 not collecting, or any vapor product user not paying, taxes under
13 chapter 423.

14 5. Section 422.25, subsection 4, sections 422.30, 422.67,
15 and 422.68, section 422.69, subsection 1, sections 422.70,
16 422.71, 422.72, 422.74, and 422.75, section 423.14, subsection
17 1, and sections 423.23, 423.24, 423.25, 423.31 through 423.35,
18 423.37, 423.39 through 423.42, and 423.47, consistent with the
19 provisions of this chapter, shall apply with respect to the tax
20 authorized under this section in the same manner and with the
21 same effect as if the excise taxes on the sale of vapor products
22 were retail sales taxes within the meaning of those statutes.
23 Notwithstanding this subsection, the director shall provide for
24 monthly filing of returns and for other than monthly filing of
25 returns both as prescribed in section 423.31.

26 6. The tax imposed by this section shall be in addition to
27 any other taxes imposed by law.

28 7. All excise taxes collected under this section by any
29 person are deemed to be held in trust for the state of Iowa.

30 8. The department shall adopt rules pursuant to chapter 17A
31 to administer this section.

32 Sec. 43. Section 453A.51, Code 2026, is amended to read as
33 follows:

34 **453A.51 Assessment of cost of audit.**

35 The department may employ auditors or other persons to

1 audit and examine the books and records of a permit holder or
2 other person dealing in tobacco products and vapor products to
3 ascertain whether the permit holder or other person has paid the
4 amount of the taxes required to be paid by the permit holder or
5 other person under the provisions of this chapter. If the taxes
6 have not been paid, as required, the department shall assess
7 against the permit holder or other person, as additional penalty,
8 the reasonable expenses and costs of the investigation and audit.

9 DIVISION X

10 EXCISE TAX ON CONSUMABLE HEMP

11 Sec. 44. Section 204.7, subsection 4, Code 2026, is amended
12 to read as follows:

13 4. A person selling a consumable hemp product in this state
14 shall register with the department of health and human services
15 on a form prescribed by the department of health and human
16 services by rule and shall keep on the premises of the person's
17 business a copy of the certificate of analysis issued pursuant
18 to section 204.8 for the hemp contained in the consumable hemp
19 products sold by the person. The department of health and
20 human services may impose a fee, established by the department
21 of health and human services by rule, on a registrant not to
22 exceed the cost of processing the registration. The department
23 of health and human services shall provide the names of persons
24 registering to sell consumable hemp products to the department of
25 revenue for the purpose of collecting the excise tax in section
26 453F.2. The department of health and human services shall adopt
27 rules for the revocation of a registration issued to a person
28 who sells a consumable hemp product not in compliance with this
29 section.

30 Sec. 45. NEW SECTION. **453F.1 Definitions.**

31 As used in this chapter:

32 1. "Consumable hemp product" means the same as defined in
33 section 204.2.

34 2. "Delivery sale" means any sale of a consumable hemp
35 product to a purchaser in this state where the purchaser submits

1 the order for such sale by means of a telephonic or other method
2 of voice transmission, mail or any other delivery service, or
3 the internet or other online service and the consumable hemp
4 product is delivered by use of mail or a delivery service.
5 The sale of consumable hemp product shall constitute a delivery
6 sale regardless of whether the seller is located in this state.
7 "Delivery sale" does not include a sale to a distributor
8 or retailer of any consumable hemp product not for personal
9 consumption.

10 3. "Department" means the department of revenue.

11 4. "Director" means the director of revenue.

12 5. "Retail sales price" means the same as "sales price" as
13 defined in section 423.1.

14 Sec. 46. NEW SECTION. **453F.2 Excise tax — rules.**

15 1. An excise tax at a rate of fifteen percent is imposed on
16 the retail sales price from the retail sale, including a delivery
17 sale, of a consumable hemp product. The amount of the tax shall
18 be added to the retail sales price at the point of sale to the
19 consumer and shall be collected from the consumer.

20 2. a. An excise tax at a rate of fifteen percent is imposed
21 upon the use and storage by a consumer of a consumable hemp
22 product in this state at a rate of fifteen percent of the cost
23 of the consumable hemp product.

24 b. The taxes imposed pursuant to this subsection shall not
25 apply if the taxes imposed by subsection 1 on the consumable hemp
26 product have been paid.

27 3. The director shall administer the excise tax imposed under
28 this section as nearly as possible in conjunction with the
29 administration of the state sales and use tax law, except that
30 portion of the law that implements the streamlined sales and use
31 tax agreement. The director shall provide appropriate forms, or
32 provide on the regular state tax forms, for reporting consumable
33 hemp product excise tax liability, and for ease of administration
34 may require consumable hemp product excise tax liability to be
35 identified, reported, and remitted to the department as sales and

1 use tax liability, provided the department has the ability to
2 properly identify such amounts as consumable hemp product excise
3 tax revenues upon receipt.

4 4. The director may require all persons who are engaged
5 in the business of deriving any sales price or purchase
6 price subject to tax under this chapter to register with
7 the department. The director may also require a tax permit
8 applicable only to this section for any consumable hemp product
9 retailer not collecting, or any consumable hemp product user not
10 paying, taxes under chapter 423.

11 5. Section 422.25, subsection 4, sections 422.30, 422.67, and
12 422.68, section 422.69, subsection 1, sections 422.70, 422.71,
13 422.72, 422.74, and 422.75, section 423.14, subsection 1, and
14 sections 423.23, 423.24, 423.25, 423.31 through 423.35, 423.37,
15 423.39 through 423.42, and 423.47, consistent with the provisions
16 of this chapter, shall apply with respect to the tax authorized
17 under this section in the same manner and with the same effect
18 as if the excise taxes on the sale of consumable hemp products
19 were retail sales taxes within the meaning of those statutes.
20 Notwithstanding this subsection, the director shall provide for
21 monthly filing of returns and for other than monthly filing of
22 returns both as prescribed in section 423.31.

23 6. The tax imposed by this section shall not apply
24 with respect to any consumable hemp product which under the
25 Constitution and laws of the United States may not be made the
26 subject of taxation by this state.

27 7. The tax imposed by this section shall be in addition to
28 any other taxes imposed by law.

29 8. All excise taxes collected under this section by any
30 person are deemed to be held in trust for the state of Iowa
31 and shall be credited to the health care trust fund created in
32 section 453A.35A.

33 9. The department shall adopt rules pursuant to chapter 17A
34 to administer this chapter.

35

EXPLANATION

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

3 This bill relates to the regulation of health-related
4 matters, including health-related professions, health facilities,
5 nutrition, and taxation. The bill is organized in divisions.

6 DIVISION I — CONTINUING EDUCATION REQUIREMENTS — NUTRITION
7 AND METABOLIC HEALTH. The bill requires the board of medicine
8 and the board of physician assistants to adopt rules requiring
9 certain licensees to receive continuing education credits
10 regarding nutritional and metabolic health as a condition of
11 license renewal.

12 DIVISION II — CERTIFICATE OF NEED. The bill changes the
13 definition of "new institutional health service" or "changed
14 institutional health service". The bill alters the list of
15 items that are excluded from the provisions of Code chapter
16 135 (department of health and human services — public health),
17 subchapter VI (health facilities). The bill strikes a provision
18 restricting the department of health and human services (HHS)
19 from processing applications for an intermediate care facility
20 for persons with an intellectual disability, or considering a new
21 or changed institutional health service for an intermediate care
22 facility for persons with an intellectual disability, unless the
23 new or changed beds shall not result in an increase in the total
24 number of medical assistance certified intermediate care facility
25 beds for persons with an intellectual disability in the state,
26 exclusive of those beds at the state resource centers or other
27 state institutions, beyond 1,636 beds.

28 The bill replaces a requirement that HHS hold a public hearing
29 on an application for a certificate of need with a requirement
30 that the department provide a period for the submission of
31 written comments from affected persons. The bill strikes an
32 authorization for the department to call a public hearing on
33 the question of whether to grant an extension for an expiring
34 certificate of need.

35 DIVISION III — SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM —

1 SUMMER ELECTRONIC BENEFITS TRANSFER FOR CHILDREN PROGRAM. The
2 bill requires HHS to continuously maintain state participation
3 in the federal supplemental nutrition assistance program (SNAP)
4 by administering the program in accordance with guidelines
5 approved by the United States department of agriculture, food
6 and nutrition service, to define "eligible foods" as "healthy
7 foods", as that term is defined by the department, and to
8 seek any federal approval necessary to ensure that provision of
9 benefits is continuous. The bill requires HHS to ensure that the
10 provision of SNAP benefits to recipients is uninterrupted.

11 The bill also allows HHS to participate in the summer
12 electronic benefits transfer for children program, subject to
13 federal approval of guidelines for eligible foods under the
14 program that are similar to the guidelines for eligible foods
15 under SNAP.

16 DIVISION IV — IVERMECTIN — OVER-THE-COUNTER
17 AVAILABILITY. The bill allows a pharmacist, pharmacy, or other
18 person to distribute ivermectin for human consumption as an
19 over-the-counter medicine. A pharmacist, pharmacy, or other
20 person who distributes ivermectin pursuant to the bill shall
21 not be subject to professional discipline or civil or criminal
22 penalties.

23 DIVISION V — SCHOOL FOODS AND BEVERAGES. The bill prohibits
24 school districts, certain charter schools, and innovation zone
25 schools from serving meals to students as part of the school's
26 breakfast or lunch program that contain blue dye 1, blue dye
27 2, green dye 3, potassium bromate, propylparaben, red dye 40,
28 yellow dye 5, or yellow dye 6, unless the foods or beverages
29 in the meal were received as part of a direct delivery from
30 the foods in schools program of the United States department of
31 agriculture. The bill also prohibits schools from permitting the
32 sale to students of any foods or beverages that contain such
33 ingredients on school campus unless the sale takes place after
34 the end of the school day. The bill requires nonpublic schools
35 that use moneys appropriated by the general assembly to provide

1 breakfast or lunch to students to ensure that the meals comply
2 with the same prohibition on ingredients as school districts.

3 This division of the bill applies to school years beginning on
4 or after July 1, 2027.

5 DIVISION VI — PSYCHOLOGY INTERJURISDICTIONAL COMPACT. The
6 bill creates an interstate compact to allow psychologists from
7 other states to practice telepsychology with patients living
8 in Iowa, to practice "face-to-face" psychology on a temporary
9 basis in Iowa, and to allow Iowa psychologists to practice
10 telepsychology with patients in other states. The compact is
11 intended to authorize regulatory authorities to afford legal
12 recognition, in a manner consistent with the terms of the
13 compact, to psychologists licensed in another state. The compact
14 does not apply when a psychologist is licensed in both the "home"
15 and "receiving" states. A commission is created to oversee the
16 compact, which is effective upon the enactment into law by the
17 seventh compact state.

18 DIVISION VII — CIGARETTE TAXATION. The bill raises the
19 cigarette tax from 6.8 cents per cigarette to 10.05 cents
20 per cigarette. The overall tax on a pack of cigarettes (20
21 cigarettes) goes from \$1.36 to \$2.01.

22 The bill also raises the tax on loose tobacco products
23 inserted into a vending machine from which assembled cigarettes
24 are dispensed. The tax is increased from 3.06 cents on each
25 cigarette dispensed from the vending machine to 4.52 cents.

26 By increasing the cigarette tax in the bill, the inventory
27 tax is also assessed on cigarettes remaining in inventories taxed
28 under the previous tax rate that is equal to the difference
29 between the previous tax rate and the new tax rate.

30 Code section 453A.35 specifies that revenues from the tax on
31 cigarettes are deposited into the health care trust fund created
32 in Code section 453A.35A.

33 DIVISION VIII — TAX ON TOBACCO PRODUCTS. Currently, a tax is
34 imposed on the distributor of all tobacco products (excluding
35 cigarettes, little cigars, and snuff) at a rate of 22 percent

1 of the wholesale sales price under Code section 453A.43(1)(a) and
2 at a rate of 28 percent under Code section 453A.43(1)(b) for a
3 combined rate of 50 percent tax on the wholesale sales price.
4 The bill combines the 22 percent rate and the 28 percent rate and
5 raises the tax on tobacco products from the combined rate of 50
6 percent to 55 percent of the wholesale sales price.

7 Currently, the tax on cigars is capped at 50 cents per cigar.
8 The bill raises the cap on the tax on cigars to 55 cents to match
9 the percentage increase of the other tax increases within Code
10 section 453A.43(1).

11 The bill changes the tax on snuff to match the tax on other
12 tobacco products within Code section 453A.43(1) by taxing snuff
13 at 55 percent of the wholesale price rather than taxing snuff at
14 a rate of \$1.19 per ounce.

15 By increasing the tax on the wholesale sales price of
16 tobacco products in the bill, the inventory tax is assessed on
17 any tobacco products remaining in inventories taxed under the
18 previous tax rate that is equal to the difference between the
19 previous tax rate and the new tax rate.

20 Code section 453A.35 specifies that revenues from the tax on
21 tobacco products are deposited into the health care trust fund
22 created in Code section 453A.35A.

23 The bill also makes other conforming changes to Code section
24 453A.43.

25 DIVISION IX — EXCISE TAX ON VAPOR PRODUCTS. The bill creates
26 an excise tax on vapor products at a rate of 15 percent on the
27 sales price from the retail sale, including a delivery sale, of
28 vapor products to consumers. The excise tax is in addition to
29 any other tax imposed by law. The excise tax shall be collected
30 at the point of sale from the consumer. The bill requires the
31 director of revenue to administer the vapor product excise tax as
32 nearly as possible in conjunction with the administration of the
33 state sales and use tax law, except that portion of the law that
34 implements the streamlined sales and use tax agreement. The bill
35 deposits all revenues raised from the vapor products excise tax

1 into the health care trust fund created in Code section 453A.35A.
2 The bill requires the department to adopt rules to administer
3 the new excise tax.

4 The bill makes other conforming changes to implement the new
5 tax.

6 DIVISION X — EXCISE TAX ON CONSUMABLE HEMP PRODUCTS. The bill
7 creates an excise tax on consumable hemp products at a rate of
8 15 percent on the sales price from the retail sale, including
9 a delivery sale, of consumable hemp products to consumers. The
10 excise tax is in addition to any other tax imposed by law. The
11 bill requires the department to adopt rules to administer the
12 new excise tax. The bill requires the director of revenue to
13 administer the consumable hemp excise tax as nearly as possible
14 in conjunction with the administration of the state sales and
15 use tax law, except that portion of the law that implements the
16 streamlined sales and use tax agreement. The bill deposits all
17 revenues raised from the consumable hemp excise tax into the
18 health care trust fund created in Code section 453A.35A.