

**House Study Bill 773 - Introduced**

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

**A BILL FOR**

1 An Act relating to and making appropriations for the economic  
2 development of the state, including to the economic  
3 development authority, Iowa finance authority, department of  
4 workforce development, and state board of regents and certain  
5 regents institutions, and codifying the housing renewal  
6 program.

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

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DIVISION I  
FY 2026-2027 APPROPRIATIONS  
Section 1. GOALS AND ACCOUNTABILITY — ECONOMIC  
DEVELOPMENT.

1. For the fiscal year beginning July 1, 2026, the goals for the economic development authority shall be to expand and stimulate the state economy, increase the wealth of Iowans, and increase the population of the state.

2. To achieve the goals in subsection 1, the economic development authority shall do all of the following for the fiscal year beginning July 1, 2026:

a. Concentrate its efforts on programs and activities that result in commercially viable products and services.

b. Adopt practices and services consistent with free market, private sector philosophies.

c. Ensure economic growth and development throughout the state.

d. Work with businesses and communities to continually improve the economic development climate along with the economic well-being and quality of life for Iowans.

e. Coordinate with other state agencies to ensure that they are attentive to the needs of an entrepreneurial culture.

f. Establish a strong and aggressive marketing image to showcase Iowa's workforce, existing industry, and potential. The authority shall prioritize recruitment of new businesses, business expansion, and retention of existing Iowa businesses. In addition, the authority shall emphasize entrepreneurial development through helping entrepreneurs secure capital, and developing networks and a business climate conducive to entrepreneurs and small businesses.

g. Encourage the development of communities and quality of life to foster economic growth.

h. Prepare communities for future growth and development through development, expansion, and modernization of infrastructure.

1 i. Develop public-private partnerships with Iowa businesses  
2 in the tourism industry, Iowa tour groups, Iowa tourism  
3 organizations, and political subdivisions in this state to assist  
4 in the development of advertising efforts.

5 Sec. 2. ECONOMIC DEVELOPMENT AUTHORITY.

6 1. APPROPRIATION

7 a. There is appropriated from the general fund of the state  
8 to the economic development authority for the fiscal year  
9 beginning July 1, 2026, and ending June 30, 2027, the following  
10 amount, or so much thereof as is necessary, to be used for the  
11 purposes designated in this subsection, and for not more than the  
12 following full-time equivalent positions:

13

14 ..... \$ 12,903,510

15

16 ..... FTEs 102.60

17 b. (1) For salaries, support, miscellaneous purposes,  
18 programs, marketing, administration, business development,  
19 community development, small business development, and any  
20 divisions the authority may organize.

21 (2) For business development operations and programs,  
22 international trade, export assistance, workforce recruitment,  
23 and the partner state program.

24 (3) For transfer to a fund created pursuant to section 15.313  
25 for purposes of financing strategic infrastructure projects.

26 (4) For community economic development programs, tourism  
27 operations, community assistance, and the community development  
28 block grant.

29 (5) For achieving the goals and accountability, and  
30 fulfilling the requirements and duties required under this Act.

31 (6) The full-time equivalent positions authorized under this  
32 subsection are funded, in whole or in part, by the moneys  
33 appropriated under this subsection or by other moneys received by  
34 the authority, including certain federal moneys.

35 c. Notwithstanding section 8.33, moneys appropriated in this

1 subsection that remain unencumbered or unobligated at the close  
2 of the fiscal year shall not revert but shall remain available  
3 for expenditure for the purposes designated in this subsection  
4 until the close of the succeeding fiscal year.

5 2. FINANCIAL ASSISTANCE RESTRICTIONS

6 a. A business creating jobs through moneys appropriated in  
7 subsection 1 shall be subject to contract provisions requiring  
8 new and retained jobs to be filled by individuals who are  
9 citizens of the United States who reside within the United  
10 States, or individuals authorized to work in the United States  
11 pursuant to federal law, including legal resident aliens residing  
12 in the United States.

13 b. Any vendor who receives moneys appropriated in subsection  
14 1 shall adhere to such contract provisions and provide periodic  
15 assurances as the state shall require that the jobs are filled  
16 solely by citizens of the United States who reside within the  
17 United States, or individuals authorized to work in the United  
18 States pursuant to federal law, including legal resident aliens  
19 residing in the United States.

20 c. A business that receives financial assistance from the  
21 authority from moneys appropriated in subsection 1 shall only  
22 employ individuals legally authorized to work in this state. In  
23 addition to all other applicable penalties provided by current  
24 law, all or a portion of the assistance received by a business  
25 which is found to knowingly employ individuals not legally  
26 authorized to work in this state is subject to recapture by the  
27 authority.

28 3. USES OF APPROPRIATIONS

29 a. From the moneys appropriated in subsection 1, the  
30 authority may provide financial assistance in the form of a grant  
31 to a community economic development entity for conducting a local  
32 workforce recruitment effort designed to recruit citizens who are  
33 former residents of the state, and former students at colleges  
34 and universities in the state, to meet the needs of local  
35 employers.

1 b. From the moneys appropriated in subsection 1, the  
2 authority may provide financial assistance to early stage  
3 industry companies being established by women entrepreneurs.

4 c. From the moneys appropriated in subsection 1, the  
5 authority may provide financial assistance in the form of grants,  
6 loans, or forgivable loans for advanced research and  
7 commercialization projects involving value-added agriculture,  
8 advanced technology, or biotechnology.

9 d. The authority shall not use any moneys appropriated in  
10 subsection 1 for purposes of providing financial assistance for  
11 any program or project that involves the installation of  
12 geothermal systems for melting snow and ice from streets or  
13 sidewalks.

14 4. WORLD FOOD PRIZE

15 In lieu of the standing appropriation in section 15.368, there  
16 is appropriated from the general fund of the state to the  
17 economic development authority for the fiscal year beginning July  
18 1, 2026, and ending June 30, 2027, the following amount to be  
19 used for support of the world food prize:

20  
21 ..... \$ 500,000

22 5. COUNCILS OF GOVERNMENTS — ASSISTANCE

23 There is appropriated from the general fund of the state to  
24 the economic development authority for the fiscal year beginning  
25 July 1, 2026, and ending June 30, 2027, the following amount to  
26 be used for the purposes of providing financial assistance to  
27 Iowa's councils of governments:

28  
29 ..... \$ 350,000

30 6. TOURISM OFFICE

31 a. There is appropriated from the general fund of the state  
32 to the economic development authority for the fiscal year  
33 beginning July 1, 2026, and ending June 30, 2027, the following  
34 amount, or so much thereof as is necessary, to be used for the  
35 tourism office for the advertisement, promotion, placement, and

1 implementation of the economic development authority's strategic  
2 plan for tourism and travel:

3

4 ..... \$ 1,050,000

5 b. Notwithstanding section 8.33, moneys appropriated in this  
6 subsection that remain unencumbered or unobligated at the close  
7 of the fiscal year shall not revert but shall remain available  
8 for expenditure for the purposes designated until the close of  
9 the succeeding fiscal year.

10 c. The economic development authority shall submit an annual  
11 report on or before January 15 to the general assembly regarding  
12 the tourism office's activities funded with moneys appropriated  
13 under this subsection. The report must be provided in an  
14 electronic format and must include metrics and criteria that  
15 allow the general assembly to quantify and evaluate the  
16 effectiveness and economic impact of the tourism office's  
17 activities related to the advertisement, promotion, placement,  
18 and implementation of the economic development authority's  
19 strategic plan for tourism and travel.

20 7. CULTURAL AFFAIRS ACTIVITIES

21 a. There is appropriated from the general fund of the state  
22 to the economic development authority for the fiscal year  
23 beginning July 1, 2026, and ending June 30, 2027, the following  
24 amount, or so much thereof as is necessary, to be used for  
25 support of the Iowa arts council:

26

27 ..... \$ 1,601,800

28 b. Of the moneys appropriated in paragraph "a", the economic  
29 development authority shall allocate \$321,800 for deposit in the  
30 arts and culture enhancement fund established in section 15.436.

31 c. Notwithstanding section 8.33, moneys appropriated in this  
32 subsection that remain unencumbered or unobligated at the close  
33 of the fiscal year shall not revert but shall remain available  
34 for expenditure for the purposes designated until the close of  
35 the succeeding fiscal year.

1     Sec. 3.   LIMITATIONS OF STANDING APPROPRIATIONS — FY  
2 2026-2027.   Notwithstanding the standing appropriations in the  
3 following designated sections for the fiscal year beginning July  
4 1, 2026, and ending June 30, 2027, the amount appropriated from  
5 the general fund of the state pursuant to the following sections  
6 for the following purposes shall not exceed the following  
7 amounts:

8     1.   For the arts and culture enhancement fund under section  
9 99F.11, subsection 4, paragraph "d", subparagraph (1):

10

11 ..... \$     448,403

12     2.   For the purposes of tourism marketing under section  
13 99F.11, subsection 4, paragraph "d", subparagraph (2):

14

15 ..... \$   1,443,700

16     Sec. 4.   FINANCIAL ASSISTANCE REPORTING — ECONOMIC  
17 DEVELOPMENT AUTHORITY.   The economic development authority shall  
18 submit an annual report to the general assembly no later than  
19 November 1, 2026, that details the amount of every direct loan,  
20 forgivable loan, tax credit, tax exemption, tax refund, grant,  
21 or any other financial assistance awarded to a person during the  
22 prior fiscal year by the authority under an economic development  
23 program administered by the authority.   The report must identify  
24 the county where the project associated with each such award is  
25 located.

26     Sec. 5.   INSURANCE ECONOMIC DEVELOPMENT.   From the moneys  
27 collected by the insurance division of the department of  
28 insurance and financial services in excess of the anticipated  
29 gross revenues under section 505.7, subsection 3, during the  
30 fiscal year beginning July 1, 2026, \$100,000 shall be transferred  
31 to the economic development authority for insurance economic  
32 development and international insurance economic development.

33     Sec. 6.   IOWA FINANCE AUTHORITY.

34     1.   There is appropriated from the general fund of the state  
35 to the Iowa finance authority for the fiscal year beginning July

1 1, 2026, and ending June 30, 2027, the following amounts, or so  
2 much thereof as is necessary, to be used for the purposes  
3 designated:

4 a. Rent subsidy program

5 (1) To provide reimbursement for rent expenses to eligible  
6 persons under the home and community-based services rent subsidy  
7 program established in section 16.55:

8

9 ..... \$ 873,000

10 (2) Of the moneys appropriated in this paragraph, not more  
11 than \$35,000 may be used for administrative costs.

12 b. Housing renewal program

13 To provide housing renewal moneys to the nonprofit Iowa  
14 affiliate to award grants to eligible communities for the housing  
15 renewal program created in section 16.52, as enacted in Division  
16 II of this Act:

17

18 ..... \$ 550,000

19 2. Notwithstanding section 8.33, moneys appropriated in this  
20 section that remain unencumbered or unobligated at the close of  
21 the fiscal year shall not revert but shall remain available for  
22 expenditure for the purposes designated until the close of the  
23 succeeding fiscal year.

24 Sec. 7. IOWA FINANCE AUTHORITY AUDIT. The auditor of state  
25 is requested to review the audit of the Iowa finance authority  
26 performed by the auditor hired by the authority.

27 Sec. 8. DEPARTMENT OF WORKFORCE DEVELOPMENT. There is  
28 appropriated from the general fund of the state to the department  
29 of workforce development for the fiscal year beginning July 1,  
30 2026, and ending June 30, 2027, the following amounts, or so much  
31 thereof as is necessary, to be used for the purposes designated:

32 1. WORKFORCE DEVELOPMENT OPERATIONS

33 a. For the operation of field offices and the workforce  
34 development board, and for not more than the following full-time  
35 equivalent positions:

1

2 ..... \$ 6,902,636

3

4 ..... FTEs 157.09

5 b. Of the moneys appropriated in paragraph "a", the

6 department shall allocate \$150,000 to the state library for the

7 purpose of licensing an online resource which prepares

8 individuals to succeed in the workplace through programs which

9 improve job skills and vocational test-taking abilities.

10 2. OFFENDER REENTRY PROGRAM

11 a. For the development and administration of an offender

12 reentry program to provide offenders with employment skills, and

13 for not more than the following full-time equivalent positions:

14

15 ..... \$ 387,158

16

17 ..... FTEs 4.00

18 b. The department of workforce development shall partner with

19 the department of corrections to provide staff within the

20 correctional facilities resources to improve offenders' abilities

21 to find and retain productive employment.

22 3. STATE ACCOUNTING SYSTEM

23 For the payment of services provided by the department of

24 administrative services related to the state accounting system:

25

26 ..... \$ 228,822

27 4. WORKPLACE INJURY AND SAFETY SURVEYS

28 For the operation of workplace safety surveys and workplace

29 data collection and analysis, including salaries, support,

30 maintenance, and miscellaneous purposes, and for not more than

31 the following full-time equivalent positions:

32

33 ..... \$ 125,555

34

35 ..... FTEs 1.90

1 5. VOCATIONAL REHABILITATION SERVICES DIVISION

2 a. For salaries, support, maintenance, and miscellaneous  
3 purposes, and for not more than the following full-time  
4 equivalent positions:

5  
6 ..... \$ 6,226,739

7  
8 ..... FTEs 233.00

9 For purposes of optimizing the job placement of individuals  
10 with disabilities, the division shall make its best efforts to  
11 work with community rehabilitation program providers for job  
12 placement and retention services for individuals with significant  
13 disabilities and most significant disabilities. By January 15,  
14 2027, the division shall submit a written report to the general  
15 assembly regarding the division's outreach efforts with community  
16 rehabilitation program providers.

17 b. For the entrepreneurs with disabilities program described  
18 in section 84H.4:

19  
20 ..... \$ 138,506

21 6. ADULT EDUCATION AND LITERACY PROGRAMS

22 For distribution as grants to community colleges for the  
23 purpose of adult basic education programs for students requiring  
24 instruction in English as a second language:

25  
26 ..... \$ 500,000

27 In issuing grants under this subsection, the department of  
28 workforce development shall use the same application process and  
29 criteria as are used for purposes of awarding grants to community  
30 colleges for the purpose of adult basic education programs for  
31 students requiring instruction in English as a second language  
32 using moneys that are appropriated to the department from the  
33 Iowa skilled worker and job creation fund created in section  
34 8.57J.

35 7. REGISTERED APPRENTICESHIP PROGRAMS

1 For the funding of the registered apprenticeship programs  
2 under chapter 84F to encourage small to midsize businesses to  
3 start or grow registered apprenticeships:

4  
5 ..... \$ 760,000

6 8. REVERSION

7 Notwithstanding section 8.33, moneys appropriated in this  
8 section that remain unencumbered or unobligated at the close of  
9 the fiscal year shall not revert but shall remain available for  
10 expenditure for the purposes designated until the close of the  
11 succeeding fiscal year.

12 Sec. 9. DEPARTMENT OF WORKFORCE DEVELOPMENT — SPECIAL  
13 EMPLOYMENT SECURITY CONTINGENCY FUND.

14 1. There is appropriated from the special employment security  
15 contingency fund created in section 96.13 to the department of  
16 workforce development for the fiscal year beginning July 1, 2026,  
17 and ending June 30, 2027, the following amount, or so much  
18 thereof as is necessary, to be used for field offices:

19  
20 ..... \$ 4,616,084

21 2. Any remaining additional penalty and interest revenue  
22 collected by the department of workforce development is  
23 appropriated to the department for the fiscal year beginning July  
24 1, 2026, and ending June 30, 2027, to accomplish the mission of  
25 the department.

26 Sec. 10. IOWA SKILLED WORKER AND JOB CREATION FUND.

27 1. There is appropriated from the Iowa skilled worker and job  
28 creation fund created in section 8.57J to the following  
29 departments, agencies, and institutions for the fiscal year  
30 beginning July 1, 2026, and ending June 30, 2027, the following  
31 amounts, or so much thereof as is necessary, to be used for the  
32 purposes designated:

33 a. ECONOMIC DEVELOPMENT AUTHORITY

34 (1) For providing financial assistance to eligible businesses  
35 for the business incentives for growth program pursuant to

1 chapter 15, subchapter II, part 33:

2

3 ..... \$ 11,700,000

4 (a) Of the moneys appropriated in this subparagraph (1), not  
5 more than \$1,000,000 may be used for purposes of providing  
6 infrastructure grants to main street communities under the main  
7 street Iowa program.

8 (b) As a condition of receiving moneys appropriated in this  
9 subparagraph (1), an entity shall testify upon the request of the  
10 joint appropriations subcommittee on economic development  
11 regarding the expenditure of such moneys.

12 (2) For support of the manufacturing 4.0 technology  
13 investment program established in section 15.371:

14

15 ..... \$ 2,350,000

16 (3) For the empower rural Iowa program:

17

18 ..... \$ 700,000

19 b. STATE BOARD OF REGENTS AND REGENTS INSTITUTIONS

20 (1) STATE BOARD OF REGENTS

21 For capacity building infrastructure in areas related to  
22 technology commercialization, marketing and business development  
23 efforts in areas related to technology commercialization,  
24 entrepreneurship, and business growth, and infrastructure  
25 projects and programs needed to assist in implementation of  
26 activities under chapter 262B:

27

28 ..... \$ 3,000,000

29 (a) Of the moneys appropriated pursuant to this subparagraph  
30 (1), 35 percent shall be allocated for Iowa state university of  
31 science and technology, 35 percent shall be allocated for the  
32 state university of Iowa, and 30 percent shall be allocated for  
33 the university of northern Iowa.

34 (b) The institutions shall provide a one-to-one match of  
35 additional moneys for the activities funded with moneys

1 appropriated under this subparagraph (1).

2 (c) The state board of regents shall submit a report by  
3 January 15, 2027, to the governor and the general assembly  
4 regarding the activities, projects, and programs funded with  
5 moneys appropriated under this subparagraph (1). The report must  
6 be provided in an electronic format and must include a list of  
7 metrics and criteria mutually agreed to in advance by the board  
8 of regents and the economic development authority. The metrics  
9 and criteria must allow the governor's office and the general  
10 assembly to quantify and evaluate the progress of the board of  
11 regents institutions with regard to their activities, projects,  
12 and programs in the areas of technology commercialization,  
13 entrepreneurship, regional development, and market research.

14 (2) IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

15 For small business development centers, the research park, and  
16 the center for industrial research and service, and for not more  
17 than the following full-time equivalent positions:

18		
19	.....	\$ 2,424,302
20		
21	.....	FTEs 50.94

22 (a) Of the moneys appropriated in this subparagraph (2), Iowa  
23 state university of science and technology shall allocate at  
24 least \$735,728 for purposes of funding small business development  
25 centers. Iowa state university of science and technology may  
26 allocate the appropriated moneys to the various small business  
27 development centers in any manner necessary to achieve the  
28 purposes of this subparagraph (2).

29 (b) Iowa state university of science and technology shall do  
30 all of the following:

31 (i) Direct expenditures for research toward projects that  
32 will provide economic stimulus for Iowa.

33 (ii) Emphasize providing services to Iowa-based companies.

34 (c) It is the intent of the general assembly that the center  
35 for industrial research and service industrial incentive program

1 focus on Iowa industrial sectors and seek contributions and  
2 in-kind donations from businesses, industrial foundations, and  
3 trade associations, and that moneys for the program shall be  
4 allocated only for projects which are matched by private sector  
5 moneys for directed contract research or for nondirected  
6 research. The match required of small businesses as defined in  
7 section 15.102 for directed contract research or for nondirected  
8 research shall be \$1 for each \$3 of state funds. The match  
9 required for other businesses for directed contract research or  
10 for nondirected research shall be \$1 for each \$1 of state funds.  
11 The match required of industrial foundations or trade  
12 associations shall be \$1 for each \$1 of state funds.

13 (d) Iowa state university of science and technology shall  
14 report annually to the general assembly the total amount of  
15 private contributions, the proportion of contributions from small  
16 businesses and other businesses, and the proportion for directed  
17 contract research and nondirected research of benefit to Iowa  
18 businesses and industrial sectors.

19 (3) STATE UNIVERSITY OF IOWA

20 (a) For the state university of Iowa research park and for  
21 university of Iowa pharmaceuticals located at the research park,  
22 including salaries, support, maintenance, equipment, and  
23 miscellaneous purposes, and for not more than the following  
24 full-time equivalent positions:

25		
26	.....	\$ 209,279
27		
28	.....	FTEs 6.00

29 The state university of Iowa shall do all of the following:

30 (i) Direct expenditures for research toward projects that  
31 will provide economic stimulus for Iowa.

32 (ii) Emphasize providing services to Iowa-based companies.

33 (b) For the purpose of implementing the entrepreneurship and  
34 economic growth initiative, and for not more than the following  
35 full-time equivalent positions:

1  
2 ..... \$ 2,000,000

3  
4 ..... FTEs 8.00

5 (4) UNIVERSITY OF NORTHERN IOWA

6 (a) For the metal casting and foundry 4.0 centers, advance  
7 Iowa, family business center, and the institute for decision  
8 making, including salaries, support, maintenance, and  
9 miscellaneous purposes, and for not more than the following  
10 full-time equivalent positions:

11  
12 ..... \$ 1,466,419

13  
14 ..... FTEs 13.00

15 The university of northern Iowa shall do all of the following:

16 (i) Direct expenditures for research toward projects that  
17 will provide economic stimulus for Iowa.

18 (ii) Emphasize providing services to Iowa-based companies.

19 (b) For the purpose of providing in-state undergraduate  
20 tuition and undergraduate mandatory fees to individuals who  
21 reside in a state contiguous to Iowa, who enroll in an  
22 undergraduate program offered by the university of northern Iowa,  
23 and who are classified as residents of this state for purposes of  
24 undergraduate tuition and undergraduate mandatory fees:

25  
26 ..... \$ 1,000,000

27 (c) For the purpose of expanding the nursing program:

28  
29 ..... \$ 600,000

30 (5) DUTY TO TESTIFY

31 As a condition of receiving moneys appropriated in this  
32 lettered paragraph "b", an entity shall testify upon the request  
33 of the joint appropriations subcommittee on economic development  
34 regarding the expenditure of such moneys.

35 c. DEPARTMENT OF WORKFORCE DEVELOPMENT

1 (1) For staffing costs related to completing workforce  
2 preparation outcome reporting in conjunction with the department  
3 of education:

4

5 ..... \$ 125,000

6 (2) For distribution to community colleges for the purposes  
7 of implementing adult education and literacy programs pursuant to  
8 section 84A.19:

9

10 ..... \$ 4,500,000

11 (a) From the moneys appropriated in this numbered  
12 subparagraph, \$3,125,000 shall be allocated pursuant to the  
13 formula established in section 260C.18C.

14 (b) From the moneys appropriated in this numbered  
15 subparagraph, not more than \$150,000 shall be used by the  
16 department of workforce development for implementation of adult  
17 education and literacy programs pursuant to section 84A.19.

18 (c) From the moneys appropriated in this numbered  
19 subparagraph, not more than \$1,015,000 shall be distributed as  
20 grants to community colleges for the purpose of adult basic  
21 education programs for students requiring instruction in English  
22 as a second language. The department of workforce development  
23 shall establish an application process and criteria to award  
24 grants pursuant to this subparagraph division to community  
25 colleges. The criteria must be based on need for instruction in  
26 English as a second language in the region served by each  
27 community college as determined by factors including data from  
28 the latest federal decennial census and outreach efforts to  
29 determine regional needs.

30 (d) From the moneys appropriated in this numbered  
31 subparagraph, \$210,000 shall be transferred to the department of  
32 health and human services for purposes of administering a program  
33 to provide access to international resources to Iowans and new  
34 Iowans to provide economic and leadership development resulting  
35 in Iowa being a more welcoming place to live, work, and raise a

1 family. The program must provide supplemental support services  
2 for international refugees to improve learning, English literacy,  
3 life skills, cultural competencies, and integration in a county  
4 with a population over 350,000 as determined by the 2020 federal  
5 decennial census. The department of health and human services  
6 shall utilize a request-for-proposals process to identify the  
7 entity best qualified to implement the program.

8 2. Notwithstanding section 8.33, moneys appropriated in this  
9 section that remain unencumbered or unobligated at the close of  
10 the fiscal year shall not revert but shall remain available for  
11 expenditure for the purposes designated until the close of the  
12 succeeding fiscal year.

13 Sec. 11. GENERAL FUND — CERTAIN REGENTS INSTITUTIONS.

14 1. There is appropriated from the general fund of the state  
15 to the following institutions for the fiscal year beginning July  
16 1, 2026, and ending June 30, 2027, the following amounts, or so  
17 much thereof as is necessary, to be used for the purposes  
18 designated:

19 a. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

20 In cooperation with the economic development authority, for  
21 support of a biosciences innovation ecosystem, to strengthen  
22 Iowa's leadership positions in the area of bio-based chemicals,  
23 digital agriculture, vaccines, and medical devices, including  
24 salaries, support, maintenance, and miscellaneous purposes, and  
25 for not more than the following full-time equivalent positions:

26		
27	.....	\$ 2,963,995
28		
29	.....	FTEs 14.81

30 b. STATE UNIVERSITY OF IOWA

31 In cooperation with the economic development authority, for  
32 support of a biosciences innovation ecosystem, to strengthen  
33 Iowa's leadership positions in the area of bio-based chemicals,  
34 digital agriculture, vaccines, and medical devices, including  
35 salaries, support, maintenance, and miscellaneous purposes, and

1 for not more than the following full-time equivalent positions:

2

3 ..... \$ 1,000,000

4

5 ..... FTEs 4.35

6 c. UNIVERSITY OF NORTHERN IOWA

7 For equipment and technology to expand the university's  
8 additive manufacturing capabilities related to investment  
9 castings technology and industry support, including salaries,  
10 support, maintenance, and miscellaneous purposes, and for not  
11 more than the following full-time equivalent positions:

12

13 ..... \$ 394,321

14

15 ..... FTEs 2.73

16 The university of northern Iowa shall make a good-faith effort  
17 to coordinate with private entities to seek moneys to supplement  
18 this appropriation to support the expansion of the university's  
19 additive manufacturing capabilities.

20 2. Notwithstanding section 8.33, moneys appropriated in  
21 subsection 1, paragraphs "a" and "b", that remain unencumbered or  
22 unobligated at the close of the fiscal year shall not revert but  
23 shall remain available for expenditure for the purposes  
24 designated until the close of the succeeding fiscal year.

25

DIVISION II

26

HOUSING RENEWAL PROGRAM

27 Sec. 12. NEW SECTION. **16.52 Housing renewal program.**

28 1. For purposes of this section, unless the context otherwise  
29 requires:

30 a. "Eligible participant" includes cities, counties,  
31 consortiums of local governments, and organizations exempt from  
32 taxation pursuant to section 501(c)(3) of the Internal Revenue  
33 Code.

34 b. "Nonprofit Iowa affiliate" means a nonprofit Iowa  
35 affiliate of a nonprofit international organization whose primary

1 activity is the promotion of the construction, remodeling, or  
2 rehabilitation of one-family or two-family dwellings for use by  
3 low-income families.

4 2. a. A housing renewal program fund is created in the state  
5 treasury under the control of the Iowa finance authority. The  
6 fund shall consist of moneys appropriated to or deposited in the  
7 fund. Moneys in the fund are appropriated to the Iowa finance  
8 authority to administer the housing renewal program.

9 b. Notwithstanding section 8.33, moneys appropriated to  
10 the housing renewal program fund that remain uncumbered or  
11 unobligated at the close of a fiscal year shall not revert  
12 but shall remain available for expenditure for the purposes  
13 designated until the close of the succeeding fiscal year.

14 c. Notwithstanding section 12C.7, subsection 2, interest or  
15 earnings on moneys in the housing renewal program fund shall be  
16 credited to the fund. Payment of interest, income generated  
17 from the sale of an ownership unit pursuant to subsection 6,  
18 recaptures of financial assistance awards, and other repayments  
19 under the housing renewal program shall be deposited in the fund.

20 3. a. The Iowa finance authority shall provide moneys from  
21 the housing renewal program fund to a nonprofit Iowa affiliate  
22 that shall use the moneys to award financial assistance under the  
23 housing renewal program to eligible participants.

24 b. Eligible participants shall use financial assistance  
25 awarded under the housing renewal program only for purposes of  
26 the acquisition, rehabilitation, and resale of ownership units;  
27 the acquisition and demolition of blighted structures; and the  
28 redevelopment of ownership units.

29 4. Twenty-five percent of moneys appropriated to the housing  
30 renewal program fund shall be allocated to financial assistance  
31 awards for eligible participants located in the eighty-eight  
32 least populated counties in the state.

33 5. a. The nonprofit Iowa affiliate shall determine the  
34 criteria used to evaluate eligible participants and to award  
35 financial assistance to eligible participants selected by the

1 nonprofit Iowa affiliate.

2     b. The nonprofit Iowa affiliate shall not award an eligible  
3 participant more than one hundred thousand dollars per ownership  
4 unit. The nonprofit Iowa affiliate may use up to five percent of  
5 the financial assistance awarded to an eligible participant for  
6 administrative expenses related to the housing renewal program.

7     c. (1) An eligible participant shall have a maximum of  
8 thirty-six months from the date a contract is executed between  
9 the nonprofit Iowa affiliate and the eligible participant for  
10 the eligible participant to complete the eligible participant's  
11 project. The eligible participant's project shall be considered  
12 complete when all financial assistance awarded to the eligible  
13 participant has been expended, and all ownership units that are  
14 covered by the contract are finished and available for sale.

15     (2) Unless the nonprofit Iowa affiliate authorizes additional  
16 time for good cause shown, if an eligible participant has no  
17 project activity within twelve months from the date a contract  
18 is executed between the nonprofit Iowa affiliate and the eligible  
19 participant, the financial assistance award shall be returned to  
20 the Iowa finance authority for deposit in the housing renewal  
21 program fund.

22     d. An eligible participant shall sell each completed  
23 ownership unit to a homebuyer whose income is under the one  
24 hundred twenty percent area median income and who must occupy the  
25 ownership unit as the homebuyer's primary residence. The deed to  
26 the ownership unit must contain a restrictive resale requirement  
27 that prohibits the homebuyer or a subsequent owner from selling  
28 the ownership unit to a person with an income above the one  
29 hundred twenty percent area median income for five calendar years  
30 from the date the eligible participant sold the ownership unit to  
31 the first homebuyer whose income is under the one hundred twenty  
32 percent area median income.

33     6. The nonprofit Iowa affiliate shall use income generated  
34 from the sale of an ownership unit only for the purpose of  
35 awarding financial assistance to eligible participants under the

1 housing renewal program.

2 7. The Iowa finance authority shall not use more than five  
3 percent of moneys appropriated to the housing renewal program  
4 fund for administration and oversight of the housing renewal  
5 program.

6 8. The Iowa finance authority, in coordination with the  
7 nonprofit Iowa affiliate, shall submit an annual report to  
8 the general assembly on or before December 31 describing the  
9 community, economic, and financial impact of the housing renewal  
10 program.

11 EXPLANATION

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

14 This bill relates to and makes appropriations for the economic  
15 development of the state, and codifies the housing renewal  
16 program.

17 DIVISION I — FY 2026-2027 APPROPRIATIONS. The bill  
18 appropriates moneys for FY 2026-2027 from the general fund of  
19 the state to the economic development authority (IEDA), Iowa  
20 finance authority (IFA), department of workforce development  
21 (IWD), Iowa state university of science and technology (ISU),  
22 state university of Iowa, and university of northern Iowa.

23 For FY 2026-2027, the bill limits standing appropriations for  
24 the world food prize, the arts and culture enhancement fund, and  
25 tourism marketing.

26 The bill transfers certain moneys collected by the insurance  
27 division in excess of the anticipated gross revenues under Code  
28 section 505.7 to IEDA.

29 The bill appropriates moneys for FY 2026-2027 from the special  
30 employment security contingency fund to IWD. The bill also  
31 appropriates moneys for FY 2026-2027 from the Iowa skilled worker  
32 and job creation fund to IEDA, IWD, and the state board of  
33 regents and institutions under the control of the board.

34 The auditor of state is requested to review the audit of IFA  
35 performed by the auditor hired by IFA.

1 The bill requires IEDA, the vocational rehabilitation services  
2 division of IWD, the state board of regents, and ISU to submit  
3 various reports to the general assembly.

4 DIVISION II — HOUSING RENEWAL PROGRAM. The bill codifies  
5 the housing renewal program created pursuant to 2022 Iowa Acts,  
6 chapter 1148, section 20, as amended by 2023 Iowa Acts, chapter  
7 110, section 18, and 2025 Iowa Acts, chapter 155, section 14.

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