

Senate File 2462 - Introduced

SENATE FILE 2462
BY COMMITTEE ON HEALTH AND HUMAN
SERVICES

(SUCCESSOR TO SSB 3111)

A BILL FOR

1 An Act relating to early childhood and family services, including
2 the creation of an early childhood and family services
3 system, state child care assistance for the child care
4 workforce, making appropriations, and including effective date
5 provisions.

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

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DIVISION I

EARLY CHILDHOOD AND FAMILY SERVICES SYSTEM

Section 1. NEW SECTION. **234A.1 Definitions.**

For the purposes of this chapter, unless the context otherwise requires:

1. "Community resources" means locally focused, strength-based programs and supports that aim to enhance family functioning and resilience, promote child development and safety, and prevent future involvement with child protective services or the juvenile justice system.

2. "Department" means the department of health and human services.

3. "Early childhood and family services district" or "ECFS district" means a health and human services district utilized for the purpose of administering the ECFS system.

4. "Early childhood and family services district advisory council" or "ECFS district advisory council" means an advisory council established under section 234A.3.

5. "Early childhood and family services district plan" or "ECFS district plan" means a plan developed by the department to outline the ECFS system infrastructure of a district and the programs and services intended to be provided within that district.

6. "Early childhood and family services state plan" or "ECFS state plan" means the plan developed by the department that describes the key components of the state's ECFS system.

7. "Early childhood and family services system" or "ECFS system" means the system established in section 234A.2.

8. "Early childhood and family services system fund" or "ECFS system fund" means the fund created in section 234A.6.

9. "Early intervention strategies" means services and supports designed to proactively identify and address risk factors and includes services that aim to strengthen families, promote healthy development, and reduce the likelihood of abuse or neglect by providing timely, targeted assistance to children

1 and caregivers through the ECFS system.

2 10. "*Evidence-based*" means practices, programs, and policies
3 grounded in the best available research and data, and that have
4 been scientifically tested and shown to be effective through
5 rigorous evaluation.

6 11. "*Family support services*" include group-based parent
7 education and home visiting programs designed to strengthen
8 protective factors including parenting skills, increase parental
9 knowledge of child development, and increase family functioning
10 and problem-solving skills. Family support services may be
11 used as an early intervention strategy to improve birth
12 outcomes, parental knowledge, family economic success, the
13 home learning environment, family and child involvement with
14 others, and coordination with other community resources. Family
15 support services may have a specific focus on preventing child
16 maltreatment or ensuring children are safe, healthy, and ready to
17 succeed in school.

18 12. "*Health and human services district*" means the same as
19 defined in section 217.1.

20 13. "*HOPES-HFI program*" means the healthy opportunities for
21 parents to experience success - healthy families Iowa program
22 established in section 234A.5.

23 14. "*Ongoing family and community resources*" means a
24 continuum of sustained, accessible, and family-centered resources
25 provided through the ECFS system that help families meet their
26 needs, strengthen protective factors, and prevent child abuse and
27 neglect.

28 15. "*Primary prevention strategies*" means a comprehensive
29 set of services and supports provided through the ECFS system
30 that are designed to strengthen families, promote healthy child
31 development, and prevent adverse outcomes before they occur.
32 These activities focus on addressing the underlying social,
33 economic, and environmental conditions that place children and
34 families at risk, such as poverty, social isolation, and lack of
35 access to quality early care and education.

1 16. "Protective factor" means an inherent strength, resource,
2 or capacity of a family, or a resource that helps a family
3 thrive, buffer against stress, and reduce the likelihood of child
4 abuse, neglect, or other poor outcome.

5 17. "Strength-based" means an approach that focuses on
6 identifying and building upon the inherent strengths, resources,
7 and capacities of a family to support the family's growth,
8 resilience, and well-being.

9 Sec. 2. NEW SECTION. **234A.2 Early childhood and family**
10 **services system — department powers and duties.**

11 1. An early childhood and family services system is
12 established under the control of the department for the
13 purposes of implementing a statewide array of primary prevention
14 strategies, early intervention strategies, and ongoing family
15 and community resources for families and their children under
16 nineteen years of age.

17 2. The ECFS system shall be administered in a manner to
18 maximize funding opportunities, interagency collaboration, and
19 integration of activities and services that support positive
20 outcomes for children and families.

21 3. The ECFS system shall support equitable statewide access
22 to all services, supports, and other resources offered through
23 the ECFS system that, at a minimum, shall include all of the
24 following:

25 a. Evidence-based primary prevention strategies, including
26 family support services, designed to assist families in
27 establishing healthy, successful futures.

28 b. Tailored early intervention strategies for children and
29 families to ensure long-term well-being, including economic
30 self-sufficiency.

31 c. Ongoing family and community resources for children and
32 families to address the root causes of child abuse and neglect
33 and enhance protective factors.

34 d. Specific service components including early childhood
35 services, evidence-based family support services, and community

1 resources.

2 4. To the extent funding is available, the department shall
3 do all of the following to develop and administer the ECFS system
4 and carry out the department's duties under this chapter:

5 a. Plan, establish, and maintain primary prevention
6 strategies, early intervention strategies, and ongoing family and
7 community resources.

8 b. (1) Develop an early childhood and family services state
9 plan that is consistent with the department's agency strategic
10 plan adopted pursuant to section 8E.204, and the state health
11 improvement plan developed under section 217.17.

12 (2) When developing the ECFS state plan, the department shall
13 do all of the following:

14 (a) Collaborate with stakeholders including but not limited
15 to experienced public health and medical providers, law
16 enforcement, educators, the early childhood Iowa state board,
17 the early childhood Iowa area boards, and organizations that
18 represent populations including but not limited to children to be
19 served by the ECFS system.

20 (b) Publish the proposed ECFS state plan on the department's
21 internet site and allow the public to review and comment on the
22 proposed ECFS state plan prior to adoption.

23 c. Administer the ECFS system in each ECFS district based on
24 early childhood and family services district plans.

25 d. Develop ECFS district plans in collaboration with ECFS
26 system partners and stakeholders.

27 e. Establish ECFS district advisory councils pursuant to
28 section 234A.3.

29 f. Coordinate administration of each ECFS district plan with
30 federal and state resources.

31 g. Enter into contracts as necessary to perform activities,
32 and provide services, supports, and other resources in accordance
33 with each ECFS district plan.

34 h. Coordinate district activities with other state agencies
35 and state-funded initiatives that support positive outcomes for

1 children and families.

2 i. Administer and distribute federal aid received, and state
3 appropriations, grants, and other moneys deposited into the early
4 childhood and family services system fund.

5 j. Oversee, provide technical assistance to, and monitor
6 department contractors to ensure compliance with ECFS district
7 plans.

8 k. Establish and maintain data collection and management
9 information systems to identify, collect, and analyze service
10 outcomes and performance data to address the needs of clients,
11 providers, the department, and ECFS system programs.

12 l. Collect, maintain, monitor, analyze, and utilize
13 information including but not limited to ECFS client records
14 and programmatic, state, and national data, engage in studies
15 and analyses, and gather relevant statistics to understand
16 emerging needs and effectively deploy information, resources, and
17 technical assistance in response.

18 m. Adopt rules pursuant to chapter 17A to administer this
19 chapter.

20 n. Take any other necessary actions to execute the
21 department's duties under this chapter or maintain compliance
22 with federal requirements.

23 5. The department may do all of the following to develop and
24 administer the ECFS system:

25 a. Cooperate with any state agency, political subdivision, or
26 federal governmental agency to apply for grants.

27 b. Solicit and accept for use any gift of money, by will or
28 otherwise, and any grant of money or services from the federal
29 government, the state, a political subdivision of the state or
30 federal government, or a private source.

31 Sec. 3. NEW SECTION. **234A.3 Early childhood and family**
32 **services district advisory councils.**

33 1. The department shall establish an early childhood and
34 family services district advisory council in each ECFS district.
35 The department shall develop policies and procedures for the

1 operational functions of each ECFS district advisory council.

2 2. An ECFS district advisory council shall consist of ten
3 members appointed by the department. Individuals eligible for
4 appointment include but are not limited to all of the following:

5 a. Elected public officials who currently hold office within
6 the ECFS district.

7 b. Individuals who have experience or expertise related to
8 health, education, domestic assault response, or abuse response.

9 c. Individuals who are representative of the populations
10 served in the ECFS district advisory council's ECFS district.

11 d. Individuals who represent the faith community or community
12 partners in the ECFS district advisory council's ECFS district.

13 3. An ECFS district advisory council shall do all of the
14 following:

15 a. Identify opportunities and address challenges based
16 on updates received from the department relating to the
17 implementation of the ECFS district plan for the ECFS district
18 advisory council's ECFS district.

19 b. Provide feedback to the department while the department is
20 developing ECFS system policies.

21 c. Advise the department on how to best provide families
22 access to primary prevention strategies, early intervention
23 strategies, and ongoing family and community resources throughout
24 the ECFS district advisory council's ECFS district.

25 4. An ECFS district advisory council shall perform the duties
26 required under this section regardless of whether any seat on the
27 ECFS district advisory council is vacant.

28 **Sec. 4. NEW SECTION. 234A.4 Data collection and use.**

29 1. The department shall perform all of the following actions
30 related to ECFS system data:

31 a. (1) Collect, maintain, monitor, analyze, and utilize
32 data, including but not limited to child welfare data, Medicaid
33 data, ECFS system data, and other data depicting the status of
34 children and families in the state, as necessary to issue cost
35 estimates for serving populations, make and receive payments,

1 conduct operations, and perform ECFS system activities.

2 (2) When performing duties under this paragraph, the
3 department shall maintain compliance with applicable federal and
4 state privacy laws to ensure the confidentiality and integrity of
5 individually identifiable data.

6 (3) The department shall periodically assess the status of
7 the department's compliance with subparagraph (2) to ensure
8 that data collected and maintained by the department under this
9 paragraph is protected.

10 b. To the extent possible, establish a record for each
11 individual receiving publicly funded ECFS system services. Each
12 record established under this paragraph shall include a unique
13 client identifier for the purposes of identifying and tracking
14 the individual's record.

15 c. Consult with department contractors and other ECFS system
16 stakeholders on an ongoing basis relating to the administration
17 of the ECFS system, including but not limited to reviewing
18 trends and outcomes as indicators for improving or modifying
19 administration of the ECFS system.

20 d. Engage with entities that maintain information the
21 department is required to collect pursuant to this section to
22 integrate data relating to individuals receiving ECFS system
23 services.

24 e. Engage with entities that maintain general population
25 data relating to the ECFS system to develop action plans,
26 create projections relating to a population's ECFS system needs,
27 develop ECFS system policies, and otherwise perform activities as
28 necessary to support families in achieving a healthy, successful
29 future.

30 2. The department shall ensure that public and private
31 agencies, organizations, and individuals that operate within
32 the ECFS system use uniform methods to maintain statistical
33 information relating to ECFS system outcomes and performance.

34 Sec. 5. NEW SECTION. **234A.5 Healthy families programs —**
35 **HOPES-HFI program.**

1 1. The department may establish the HOPES-HFI program to
2 provide services to families and children during a child's
3 prenatal through preschool years. If established, the HOPES-HFI
4 program shall do all of the following:

5 a. Promote optimal child health and development.

6 b. Improve family coping skills and functioning.

7 c. Promote positive parenting skills and intrafamilial
8 interaction.

9 d. Prevent child abuse, child neglect, infant mortality, and
10 infant morbidity.

11 2. The department shall administer the HOPES-HFI program, in
12 whole or in part, by contracting with local organizations that
13 use evidence-based home visiting models.

14 Sec. 6. NEW SECTION. **234A.6 Early childhood and family**
15 **services system fund.**

16 1. An early childhood and family services system fund is
17 created in the state treasury under the control of the department
18 and consisting of any moneys appropriated to the department for
19 the ECFS system fund's purposes by the general assembly and any
20 other moneys available and obtained or accepted by the department
21 for deposit in the ECFS system fund. The ECFS system fund shall
22 be used to implement and administer the ECFS system.

23 2. Moneys in the ECFS system fund are appropriated to the
24 department for the purposes of implementing and administering the
25 ECFS system.

26 3. Notwithstanding section 8.33, moneys appropriated in this
27 section that remain unencumbered or unobligated at the close of
28 a fiscal year shall not revert but shall remain available for
29 expenditure for the purposes designated.

30 4. Notwithstanding section 12C.7, subsection 2, interest or
31 earnings on moneys in the ECFS system fund shall be credited to
32 the ECFS system fund.

33 Sec. 7. REPEAL. Section 135.106, Code 2026, is repealed.

34 Sec. 8. EFFECTIVE DATE. The following take effect July 1,
35 2027:

1 1. The sections of this division of this Act enacting
2 sections 234A.1 through 234A.5.

3 2. The sections of this division of this Act repealing
4 section 135.106.

5 Sec. 9. EFFECTIVE DATE. The section of this division of
6 this Act enacting section 234A.6, being deemed of immediate
7 importance, takes effect upon enactment.

8 DIVISION II

9 DECATEGORIZATION INITIATIVE

10 Sec. 10. Section 235.7, subsection 2, Code 2026, is amended
11 to read as follows:

12 2. *Membership.* ~~The department may authorize the governance~~
13 ~~boards of decategorization of child welfare and juvenile justice~~
14 ~~funding projects established under section 232.188 to appoint the~~
15 ~~transition committee membership and may utilize the boundaries~~
16 ~~of decategorization projects to establish the service areas for~~
17 ~~transition committees. The committee~~ A committee's membership
18 may include but is not limited to department staff involved with
19 foster care, child welfare, and adult services, juvenile court
20 services staff, staff involved with county general assistance or
21 emergency relief under chapter 251 or 252, school district and
22 area education agency staff involved with special education, and
23 a child's court appointed special advocate, guardian ad litem,
24 service providers, and other persons knowledgeable about the
25 child.

26 Sec. 11. Section 237A.1, subsection 2, paragraph j,
27 subparagraph (2), Code 2026, is amended by striking the
28 subparagraph.

29 Sec. 12. Section 249A.26, subsection 5, Code 2026, is amended
30 by striking the subsection.

31 Sec. 13. Section 256I.4, subsection 6, Code 2026, is amended
32 by striking the subsection.

33 Sec. 14. REPEAL. Section 232.188, Code 2026, is repealed.

34 DIVISION III

35 CHILD ABUSE PREVENTION PROGRAM

1 Sec. 15. Section 144.13A, subsection 5, paragraph a, Code
2 2026, is amended to read as follows:

3 a. Ten dollars of each registration fee is appropriated and
4 shall be used for ~~primary and secondary~~ child abuse prevention
5 ~~programs pursuant to section 235A.1~~, and ten dollars of each
6 registration fee is appropriated and shall be used for the
7 congenital and inherited disorders central registry established
8 pursuant to section 136A.6. Notwithstanding section 8.33,
9 moneys appropriated in this paragraph that remain unencumbered
10 or unobligated at the close of the fiscal year shall not revert
11 but shall remain available for expenditure for the purposes
12 designated until the close of the succeeding fiscal year, and
13 shall not be transferred, used, obligated, appropriated, or
14 otherwise encumbered except as provided in this paragraph.

15 Sec. 16. Section 422.12K, Code 2026, is amended to read as
16 follows:

17 **422.12K Income tax checkoff for child abuse prevention**
18 **~~program fund.~~**

19 1. A person who files an individual or a joint income tax
20 return with the department of revenue under section 422.13 may
21 designate one dollar or more to be paid to the ~~child abuse~~
22 ~~prevention program~~ early childhood and family services system
23 fund created in section 235A.2 234A.6, to be used for the
24 purpose of child abuse prevention. If the refund due on the
25 return or the payment remitted with the return is insufficient
26 to pay the additional amount designated by the taxpayer to
27 the ~~child abuse prevention program~~ early childhood and family
28 services system fund, the amount designated shall be reduced to
29 the remaining amount remitted with the return. The designation
30 of a contribution to the ~~child abuse prevention program~~ early
31 childhood and family services system fund under this section is
32 irrevocable.

33 2. The director of revenue shall draft the income tax form
34 to allow the designation of contributions to the ~~child abuse~~
35 ~~prevention program~~ early childhood and family services system

1 fund on the tax return. The department of revenue, on or
2 before January 31, shall transfer the total amount designated
3 on the tax return forms due in the preceding calendar year to
4 the ~~child abuse prevention program~~ early childhood and family
5 services system fund. However, before a checkoff pursuant to
6 this section shall be permitted, all liabilities on the books
7 of the department and accounts identified as owing under section
8 421.65 shall be satisfied.

9 3. The department of health and human services may authorize
10 payment of moneys from the ~~child abuse prevention program~~ early
11 childhood and family services system fund for the purpose of
12 child abuse prevention in accordance with section ~~235A.2~~ 234A.6.

13 4. The department of revenue shall adopt rules to administer
14 this section.

15 5. This section is subject to repeal under section 422.12E.

16 Sec. 17. REPEAL. Sections 235A.1, 235A.2, and 235A.3, Code
17 2026, are repealed.

18 Sec. 18. CHILD ABUSE PREVENTION PROGRAM FUND — TRANSFER OF
19 MONEYS. Any unencumbered or unobligated moneys remaining in the
20 child abuse prevention program fund created in section 235A.2, on
21 June 30, 2026, shall be transferred to the early childhood and
22 family services system fund created in section 234A.6, as enacted
23 in this Act.

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

26 DIVISION IV

27 TRANSITION PROVISIONS

28 Sec. 20. EARLY CHILDHOOD AND FAMILY SERVICES SYSTEM.

29 1. For purposes of this division:

30 a. The following mean the same as defined in section 234A.1
31 as enacted in division I of this Act:

32 (1) "Department".

33 (2) "Early intervention strategies".

34 (3) "ECFS district plan".

35 (4) "ECFS state plan".

1 (5) "ECFS system".

2 (6) "ECFS system fund".

3 (7) "Ongoing family and community resources".

4 (8) "Primary prevention strategies".

5 b. "Early childhood Iowa area", "early childhood Iowa area
6 board", and "early childhood Iowa area state board" mean the same
7 as defined in section 256I.1.

8 c. "Early childhood Iowa initiative" means the early
9 childhood Iowa initiative described in section 256I.2.

10 d. "Transition period" means the period beginning on the date
11 of enactment of this division of this Act and concluding on June
12 30, 2027.

13 2. There is created an early childhood and family services
14 system under the control of the department. Beginning July 1,
15 2027, the department shall be responsible for implementing and
16 maintaining a statewide system of primary prevention strategies,
17 early intervention strategies, and ongoing family and community
18 resources through the ECFS system.

19 3. During the transition period, the department may exercise
20 all policymaking functions and regulatory powers as necessary to
21 establish the ECFS system as if the sections of division I of
22 this Act enacting sections 234A.1 through 234A.5 were enacted.

23 4. The department shall perform all the following duties by
24 the conclusion of the transition period:

25 a. Adopt rules pursuant to chapter 17A as necessary to
26 establish, implement, and administer the ECFS system.

27 b. Establish policies as necessary to efficiently establish,
28 implement, and administer the ECFS system.

29 c. Prepare forms necessary to establish, implement, and
30 administer the ECFS system.

31 d. Prepare an ECFS state plan.

32 e. Develop ECFS district plans.

33 f. Develop a plan for the transition of early childhood and
34 family services to the ECFS system.

35 g. Execute contracts as necessary to establish, implement,

1 and administer the ECFS system.

2 h. Ensure that individuals currently receiving primary
3 prevention strategies, early intervention strategies, services,
4 and supports or ongoing family and community resources under the
5 purview of the department, or home visiting services provided
6 through the early childhood Iowa initiative, have uninterrupted
7 continuity of care.

8 i. Submit a report to the general assembly no later than
9 January 15, 2027, that details the administrative and operational
10 costs to establish, implement, and administer the ECFS system.

11 j. Establish contractual rights, privileges, and
12 responsibilities as necessary to establish, implement, and
13 administer the ECFS system.

14 k. Develop a plan to transition oversight and accountability
15 for home visiting services currently funded by the early
16 childhood Iowa initiative to the ECFS system.

17 l. Work with a cohort of early childhood Iowa area directors
18 designated by the association of early childhood Iowa area boards
19 and advocates, and the early childhood Iowa state board, to
20 develop a plan to modernize the early childhood Iowa initiative.
21 The plan shall include the frequency of work sessions, engagement
22 opportunities for early childhood Iowa partners, and mutually
23 agreed upon deliverables including revisions to chapter 256I.

24 5. If the department determines that a federal waiver or
25 authorization is necessary to administer any provision of this
26 division of this Act, or to effectuate the ECFS system by the
27 conclusion of the transition period, the department shall timely
28 request the federal waiver or authorization. Notwithstanding
29 any other effective date to the contrary, a provision of this
30 division of this Act that the department determines requires
31 a federal waiver or authorization shall be effective only upon
32 receipt of federal approval for the waiver or authorization.

33 6. a. All debts, claims, or other liabilities owed to an
34 early childhood Iowa area or an early childhood Iowa area board
35 due to home visiting services rendered pursuant to chapter 256I,

1 Code 2026, at the conclusion of the transition period shall
2 remain due and owing after the transition period concludes.

3 b. After the transition period concludes, all fiscal agents
4 contracted with an early childhood Iowa area board shall collect
5 outstanding debts, claims, or other liabilities owed to an early
6 childhood Iowa area or an early childhood Iowa area board for
7 home visiting services pursuant to chapter 256I provided or
8 rendered before the transition period concluded.

9 7. With input from appropriate stakeholders, the department
10 shall identify each home visiting services contract that will be
11 impacted by divisions I through V of this Act. On or before June
12 30, 2027, each party to a contract identified by the department
13 under this subsection shall exercise the option, if permitted
14 under the terms of the contract, to terminate the contract.
15 Contracts identified under this subsection that do not provide
16 for termination shall not be renewed or extended at the end of
17 the current contract term.

18 8. Unless otherwise provided in this division of this Act, an
19 early childhood Iowa area, an early childhood Iowa area board,
20 an early childhood Iowa area director, or any agent of an early
21 childhood Iowa area or early childhood Iowa area board, and any
22 subdivision of the state, shall not enter into, renew, or extend
23 a home visiting services contract related to the early childhood
24 Iowa initiative or related activities if the term of the contract
25 would extend past, or the deliverables under the contract would
26 be provided after, June 30, 2027.

27 Sec. 21. EFFECTIVE DATE. This division of this Act, being
28 deemed of immediate importance, takes effect upon enactment.

29 DIVISION V

30 HEALTH AND HUMAN SERVICES DISTRICTS

31 Sec. 22. Section 217.1, Code 2026, is amended by adding the
32 following new subsection:

33 NEW SUBSECTION. 4. "*Health and human services district*" or
34 "*HHS district*" means a geographic, multicounty area designated
35 by the department under section 217.1B for statewide program and

1 service delivery.

2 Sec. 23. NEW SECTION. **217.1B Health and human services**
3 **districts.**

4 1. The department shall divide the entirety of the state into
5 designated health and human services districts. The initial HHS
6 districts shall be the same as the behavioral health districts
7 designated pursuant to section 225A.4, Code 2026, and that exist
8 on the effective date of this division of this Act. The
9 department shall review the designated HHS districts at least
10 once every seven consecutive fiscal years.

11 2. a. The department may modify a designated HHS district.
12 When modifying a designated HHS district, the department shall
13 consider all of the following:

14 (1) City and county boundaries.

15 (2) The population size that can be effectively served in a
16 specific area.

17 (3) Areas of high need for services.

18 (4) Patterns various populations exhibit when accessing or
19 receiving services.

20 b. Notwithstanding chapter 17A, the manner in which the
21 modification of an HHS district is made, including the
22 determination of boundaries for a modified HHS district, shall
23 not be subject to judicial review.

24 3. The department shall adopt rules pursuant to chapter 17A
25 to administer this section.

26 Sec. 24. CONTINGENT EFFECTIVE DATE. This division of this
27 Act takes effect July 1, 2026, unless the sections of 2026 Iowa
28 Acts, LSB 5558 XD, or successor legislation, amending section
29 217.1 and enacting section 217.1B are enacted on or before July
30 1, 2026.

31 DIVISION VI

32 CONFORMING CHANGES

33 Sec. 25. Section 232.69, subsection 1, paragraph b,
34 subparagraph (5), Code 2026, is amended to read as follows:

35 (5) An employee or operator of a licensed child care center,

1 registered child development home, head start program, family
2 development and self-sufficiency grant program under section
3 216A.107, or healthy opportunities for parents to experience
4 success - healthy families Iowa program under section ~~135.106~~
5 234A.5.

6 Sec. 26. Section 237A.30, subsection 1, Code 2026, is amended
7 to read as follows:

8 1. The department shall ~~work with the early childhood~~
9 ~~Iowa program established in section 256I.5 in designing and~~
10 ~~implementing~~ implement a voluntary quality rating system for each
11 provider type of child care facility.

12 Sec. 27. Section 256I.3, subsection 2, paragraph b, Code
13 2026, is amended to read as follows:

14 b. The governor's appointees shall ~~be selected from~~
15 ~~individuals nominated by area boards. The nominations shall~~
16 reflect the range of interests represented on the area boards so
17 that the governor is able to appoint one or more members each for
18 early care, education, health, human services, business, faith,
19 and public interests. At least one of the citizen members shall
20 be a service consumer or the parent of a service consumer. The
21 term of office of the citizen members is three years. A citizen
22 member vacancy on the board shall be filled in the same manner as
23 the original appointment for the balance of the unexpired term.

24 Sec. 28. Section 256I.13, subsection 1, Code 2026, is amended
25 to read as follows:

26 1. In order to implement the legislative intent stated in
27 ~~sections 135.106 and~~ section 256I.9, that priority for family
28 support program funding be given to programs using evidence-based
29 or promising models for family support, it is the intent of
30 the general assembly that ninety percent of state funds expended
31 for family support programs shall be used for evidence-based or
32 promising program models. The remaining ten percent of funds may
33 be used for innovative program models that do not yet meet the
34 definition of evidence-based or promising programs.

35 Sec. 29. EFFECTIVE DATE. This division of this Act takes

1 effect July 1, 2027.

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DIVISION VII

3 CHILD CARE WORKFORCE — STATE CHILD CARE ASSISTANCE ELIGIBILITY

4 Sec. 30. NEW SECTION. **237A.15 State child care assistance**
5 **— child care workforce eligibility.**

6 1. Notwithstanding any provision of section 237A.13 or
7 237A.14 to the contrary, a child shall be eligible for the state
8 child care assistance program established in section 237A.13 and
9 the state child care assistance graduated eligibility phase-out
10 program established in section 237A.14 if a parent, guardian, or
11 custodian of the child meets all of the following requirements,
12 as applicable:

13 a. The parent, guardian, or custodian is employed in this
14 state at a child care facility or child care home that has an
15 agreement with the department to accept reimbursements from the
16 state child care assistance program.

17 b. The parent, guardian, or custodian works an average
18 minimum of thirty-two hours per week. A portion of the hours
19 worked, as specified by the department, must be in a position
20 with a primary duty of providing child care directly to children,
21 and the parent's, guardian's, or custodian's position must be
22 regularly counted in the minimum child-to-staff ratio established
23 by the department.

24 c. (1) If the parent, guardian, or custodian is employed
25 at a child care home or a child development home, the parent,
26 guardian, or custodian does not provide child care to the
27 parent's, guardian's, or custodian's own child.

28 (2) Notwithstanding subparagraph (1), a co-provider at a
29 child development home may qualify for state child care
30 assistance if the co-provider meets all requirements specified in
31 this section and by the department by rule.

32 d. The parent, guardian, or custodian is not a substitute or
33 an assistant at a child care home or a child development home.

34 e. Based on the department's evaluation of the parent's,
35 guardian's, or custodian's application for state child care

1 assistance, the department has determined the parent, guardian,
2 or custodian has a need for child care.

3 *f.* The parent, guardian, or custodian is not the owner of the
4 child care facility or child care home where any of the parent's,
5 guardian's, or custodian's children are enrolled.

6 2. A child of a director, co-director, or other
7 administrative staff member of a child care facility may qualify
8 for state child care assistance under subsection 1 if the
9 director, co-director, or other administrative staff member is
10 regularly counted in the minimum child-to-staff ratio established
11 by the department by rule.

12 3. A parent, guardian, or custodian of a child participating
13 in the state child care assistance program based on eligibility
14 established under this section shall make copayments as specified
15 by the department by rule.

16 4. The department shall adopt rules pursuant to chapter 17A
17 to administer this section.

18 Sec. 31. EMERGENCY RULES. The department of health and
19 human services may adopt emergency rules under section 17A.4,
20 subsection 3, and section 17A.5, subsection 2, paragraph "b", to
21 implement the provisions of this division of this Act and the
22 rules shall be effective immediately upon filing unless a later
23 date is specified in the rules. Any rules adopted in accordance
24 with this section shall also be published as a notice of intended
25 action as provided in section 17A.4.

26 Sec. 32. EFFECTIVE DATE. This division of this Act, being
27 deemed of immediate importance, takes effect upon enactment.

28 DIVISION VIII

29 CODE EDITOR DIRECTIVES

30 Sec. 33. CODE EDITOR DIRECTIVES. The Code editor is directed
31 to do all of the following:

32 1. Make changes in any Code sections amended or enacted by
33 any other Act to correspond with the changes made in this Act
34 if there appears to be no doubt as to the proper method of
35 making the changes and the changes would not be contrary to or

1 inconsistent with the purposes of this Act or any other Act.

2 2. Correct internal references in the Code and in enacted
3 legislation as necessary due to the enactment of this Act.

4 EXPLANATION

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

7 This bill relates to early childhood and family services,
8 including creation of an early childhood and family services
9 (ECFS) system and child care workforce eligibility for state
10 child care assistance (CCA).

11 DIVISION I — EARLY CHILDHOOD AND FAMILY SERVICES SYSTEM. The
12 bill creates new Code chapter 234A (early childhood and family
13 services system). The purpose of the ECFS system is to provide
14 accessible, ongoing, and community-based services for children
15 and families. The bill defines terms used in the chapter.

16 The ECFS system is established under the control of the
17 department of health and human services (HHS) and ECFS districts
18 (districts) are established for statewide implementation of
19 primary prevention strategies and early intervention strategies
20 for families and their children under 19 years of age. The
21 ECFS system must be administered in a manner that maximizes
22 funding opportunities, interagency collaboration, and integration
23 of activities and services that support positive outcomes for
24 children and families.

25 The bill details actions HHS must perform, to the extent
26 funding is available, to develop and administer the ECFS system.

27 The bill directs HHS to establish an ECFS district advisory
28 council (council) in each district, and develop policies and
29 procedures for the operational functions of the councils. A
30 council shall consist of 10 members appointed by HHS. The bill
31 specifies individuals who are eligible for appointment, and the
32 duties of a council.

33 The bill specifies the duties of HHS related to data
34 collection and use for the ECFS system. The bill requires HHS
35 to maintain compliance with applicable federal and state privacy

1 laws to ensure the confidentiality and integrity of individually
2 identifiable data related to the ECFS system collected by HHS.

3 Current Code section 135.106 (healthy opportunities for
4 parents to experience success - healthy families Iowa
5 (HOPES-HFI)) is placed in the new Code chapter and becomes part
6 of the ECFS system. The bill specifies the requirements for the
7 HOPES-HFI program and directs HHS to develop and administer the
8 HOPES-HFI program, in whole or in part, by contracting with local
9 organizations that use evidence-based home visiting models.

10 The bill establishes an ECFS system fund (ECFS fund)
11 consisting of moneys appropriated to HHS for the ECFS fund's
12 purposes by the general assembly and any other moneys available
13 and obtained or accepted by HHS for deposit in the ECFS fund.
14 Moneys in the ECFS fund are appropriated to HHS for the purposes
15 of implementing and administering the ECFS system. Moneys
16 appropriated that remain unencumbered or unobligated at the close
17 of a fiscal year shall not revert to the general fund of the
18 state, and interest or earnings on moneys in the fund shall be
19 credited to the ECFS fund.

20 The section of the division that establishes the ECFS fund
21 takes effect upon enactment. All other sections in the division
22 take effect July 1, 2027.

23 DIVISION II — DECATEGORY INITIATIVE. The bill
24 eliminates the decategorization initiative.

25 DIVISION III — CHILD ABUSE PREVENTION PROGRAM. The bill
26 eliminates the child abuse prevention program, fund, and advisory
27 committee. A taxpayer may still receive a nonrefundable
28 reduction in the taxpayer's income taxes for contributing one or
29 more dollars to child abuse prevention, but the moneys received
30 will be administered through the ECFS system instead of the
31 child abuse prevention program fund. Funding for child abuse
32 prevention and moneys in the current child abuse prevention fund
33 are directed to the ECFS fund to be used by HHS for child abuse
34 prevention.

35 This division of the bill takes effect upon enactment.

1 DIVISION IV — TRANSITION PROVISIONS. The bill defines terms
2 used in the division, including "transition period", which means
3 the period beginning on the date of enactment of the division and
4 concluding on June 30, 2027.

5 The bill allows HHS to exercise all policymaking functions
6 and regulatory powers as necessary to establish the ECFS system
7 during the transition period.

8 The bill requires HHS to execute contracts as necessary to
9 establish, implement, and administer the ECFS system; adopt
10 necessary administrative rules; establish necessary policies and
11 prepare necessary forms; prepare an ECFS state plan and develop
12 ECFS district plans; develop plans for the transition of early
13 childhood and family services to the ECFS system; ensure that
14 individuals currently receiving ECFS system-related services
15 under the purview of HHS or home visiting services provided
16 through the initiative have uninterrupted continuity of care;
17 submit a report to the general assembly no later than January 15,
18 2027, that details the administrative and operational costs to
19 establish, implement, and administer the ECFS system; develop a
20 plan to transition oversight and accountability for home visiting
21 services currently funded by the early childhood Iowa initiative
22 to the ECFS system; and work with a cohort of early childhood
23 Iowa area directors and the early childhood Iowa state board to
24 develop a plan to modernize the early childhood Iowa initiative.

25 The bill requires HHS to request any federal waivers or
26 authorizations (waivers) necessary to implement the ECFS system.
27 Notwithstanding other effective dates stated in the bill, any
28 provision of the bill HHS determines necessitates a waiver is
29 effective upon receipt of the federal approval of the waiver.

30 The bill provides that all debts, claims, or other liabilities
31 owed to an early childhood Iowa area (area) or an area board
32 due to home visiting services rendered pursuant to Code chapter
33 256I at the conclusion of the transition period shall remain
34 due and owing after the transition period concludes. After the
35 transition period concludes, all fiscal agents contracted with

1 an area board shall assist collect outstanding debts, claims,
2 or other liabilities owed to the areas or area boards for home
3 visiting services provided or rendered before the transition
4 period concluded. Reimbursement for allowable activities and
5 services shall only be paid if accompanied by sufficient
6 supporting documentation.

7 With input from appropriate stakeholders, the bill requires
8 HHS to identify each home visiting contract that will be impacted
9 by the provisions relating to the ECFS system and the initiative.
10 On or before June 30, 2027, each party to a contract identified
11 by HHS shall exercise the option, if available pursuant to the
12 terms of the contract, to terminate the contract. Contracts that
13 do not provide for termination shall not be renewed or extended
14 at the end of the current contract term.

15 An area board, an area director, or any agent of an area or
16 area board, and any subdivision of the state, shall not enter
17 into, renew, or extend a home visiting services contract related
18 to the initiative or related activities if the term period of
19 the contract would extend, or the deliverables under the contract
20 would be provided, beyond June 30, 2027.

21 This division of the bill takes effect upon enactment.

22 DIVISION V — HEALTH AND HUMAN SERVICES DISTRICTS. The bill
23 directs HHS to divide the state into health and human services
24 districts (districts), as that term is defined in the bill,
25 to be used by HHS for statewide delivery of programs and
26 services. The initial district boundaries shall be the same
27 as the behavioral health district boundaries, as the behavioral
28 health district boundaries existed on July 1, 2025. HHS must
29 review the designation of the districts at least once every
30 seven consecutive fiscal years. The bill provides factors HHS
31 must consider when modifying a district, and modification is not
32 subject to judicial review.

33 This division of the bill is effective July 1, 2026, unless
34 the sections of 2026 Iowa Acts, LSB 5558 XD, amending Code
35 section 217.1 and enacting Code section 217.1B are enacted on or

1 before July 1, 2026.

2 DIVISION VI — CONFORMING CHANGES. The bill includes
3 conforming changes and this division takes effect July 1, 2027.

4 DIVISION VII — CHILD CARE WORKFORCE — STATE CHILD CARE
5 ASSISTANCE ELIGIBILITY. The bill provides that a child shall be
6 eligible for the state child care assistance (CCA) program under
7 Code section 237A.13 (state child care assistance) or 237A.14
8 (child care assistance — graduated eligibility phase-out) if a
9 parent, guardian, or custodian (custodian) is employed at a child
10 care facility or child care home that has an agreement with HHS
11 to accept reimbursement from the CCA program; works an average
12 minimum of 32 hours per week in a position with a primary duty
13 of providing child care directly to children; and meets several
14 other requirements specified in the bill. A child of a director,
15 co-director, or other administrative staff member (staff member)
16 may be eligible if the staff member is regularly counted in the
17 child-to-staff ratio established by the department. A custodian
18 of a child participating in the CCA program under the bill shall
19 make copayments as specified by HHS by rule.

20 The bill requires HHS to adopt rules to administer this
21 division of the bill. The division provides HHS with emergency
22 rulemaking authority. This division of the bill takes effect
23 upon enactment.

24 DIVISION VIII — CODE EDITOR DIRECTIVES. The bill provides
25 Code editor directives.