SENATE FILE 2473
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SF 2141)
(SUCCESSOR TO SSB 3028)

A BILL FOR

1 An Act relating to matters under the purview of the department
2   of management, and including effective date and applicability
3   provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1   Section 1. Section 8.57C, subsections 2, 3, and 4, Code 2026,
2 are amended to read as follows:
3   2. Moneys in the fund in a fiscal year shall be
4 used as appropriated by the general assembly ~~for the~~
5 ~~acquisition of computer hardware and software, software~~
6 ~~development, telecommunications equipment, and maintenance and~~
7 ~~lease agreements associated with technology components and for~~
8 ~~the purchase of equipment intended to provide an uninterruptible~~
9 ~~power supply~~ to the department of management to provide
10 a stable funding source for implementation costs of state
11 information technology projects that enhance the state's
12 technology infrastructure, improve government services, and
13 promote innovation and economic development, including but not
14 limited to new information technology projects and infrastructure
15 replacement efforts of a department or establishment, while
16 protecting the privacy of residents of this state.
17   ~~3. *a.* There is appropriated from the general fund of the~~
18 ~~state to the technology reinvestment fund for the fiscal year~~
19 ~~beginning July 1, 2026, and for each fiscal year thereafter, the~~
20 ~~sum of seventeen million five hundred thousand dollars.~~
21   ~~*b.* There is appropriated from the rebuild Iowa infrastructure~~
22 ~~fund for the fiscal year beginning July 1, 2025, and ending June~~
23 ~~30, 2026, the sum of eighteen million two hundred sixty-nine~~
24 ~~thousand two hundred seventeen dollars to the technology~~
25 ~~reinvestment fund, notwithstanding section 8.57, subsection 3,~~
26 ~~paragraph "c".~~
27   3. *a.* The department of management shall prioritize proposed
28 projects based on all of the following considerations:
29   (1) Whether the project aligns with the state's strategic
30 priorities.
31   (2) Whether the project promotes or introduces new technology
32 or significantly improves an existing system.
33   (3) Whether the project is feasible and whether the
34 department or establishment has established readiness for the
35 project to proceed, including a clear assessment of timelines,

1 budgets, and measurable outcomes.
2   (4) Whether the project includes a clear change management
3 strategy to support user adoption and aligns with lean enterprise
4 principles to maximize value, minimize waste, and ensure
5 continuous improvement.
6   (5) Whether the project provides a positive return on
7 investment, considering both financial returns and nonfinancial
8 benefits such as improved public safety, education, or health
9 care.
10   (6) Whether the project results in infrastructure that is
11 scalable across the state enterprise.
12   (7) Whether the department or establishment has identified
13 how the completed project will be sustained beyond the initial
14 funding period.
15   (8) Whether the project improves access to governmental
16 services, particularly in rural communities.
17   (9) Whether the project involves an infrastructure project
18 as opposed to maintenance or standard upgrades of existing
19 technology.
20   *b.* The department of management shall provide a prioritized
21 list of proposed projects for funding to the governor, who shall
22 use the list in developing a budgetary recommendation for the
23 general assembly pursuant to section 8.21 for the fiscal year
24 beginning July 1, 2027, and for each fiscal year thereafter.
25   *c.* Notwithstanding section 8.33, moneys in the technology
26 reinvestment fund that remain unencumbered or unobligated at
27 the close of a fiscal year shall not revert but shall remain
28 available for expenditure for the purposes designated until
29 the close of the fiscal year that ends two years after the
30 end of the fiscal year for which the appropriation was made.
31 Notwithstanding section 12C.7, subsection 2, interest or earnings
32 on moneys in the fund shall be credited to the fund.
33   4. ~~Annually, on~~ On or before January 15 of each year, ~~a~~
34 ~~state agency that received an appropriation from this fund~~ the
35 department of management shall report to the ~~legislative services~~

1 ~~agency and the department of management~~ general assembly the
2 status of all projects <u>funded under this section that have been</u>
3 completed <u>since the previous report was submitted</u> or <u>that are</u> in
4 progress. The report ~~shall~~ <u>must</u> include a description of the
5 project, the progress of work completed, the total estimated cost
6 of the project, a list of all revenue sources being used to fund
7 the project, the amount of ~~funds~~ <u>moneys</u> expended, the amount of
8 ~~funds~~ <u>moneys</u> obligated, and the date the project was completed or
9 an estimated completion date of the project, where applicable.
10   Sec. 2. Section 8.78, Code 2026, is amended to read as
11 follows:
12   **8.78 Background checks.**
13   An applicant for employment with the department, or an
14 applicant for employment with a supported entity for a position
15 as information technology staff, may be subject to a background
16 investigation by the department. The background investigation
17 may include, without limitation, a work history, financial
18 review, request for criminal history data, and national criminal
19 history check through the federal bureau of investigation.
20 In addition, a contractor, vendor, employee, or any other
21 individual performing work for the department, or an individual
22 on the information technology staff of a supported entity, may
23 be subject to a national criminal history check through the
24 federal bureau of investigation at least once every ~~ten~~ <u>five</u>
25 years, including, without limitation, any time the department or
26 supported entity has reason to believe an individual has been
27 convicted of a crime. The department may request the national
28 criminal history check and, if requested, shall provide the
29 individual's fingerprints to the department of public safety for
30 submission through the state criminal history repository to the
31 federal bureau of investigation. The individual shall authorize
32 release of the results of the national criminal history check
33 to the department and the applicable supported entity. The
34 department shall pay the actual cost of the fingerprinting and
35 national criminal history check, if any, unless otherwise agreed

1 as part of a contract between the department or supported entity
2 and a vendor or contractor performing work for the department
3 or supported entity. The results of a criminal history check
4 conducted pursuant to this section shall not be considered a
5 public record under chapter 22.
6   Sec. 3. <u>NEW SECTION</u>. **8.94 Contracts —— prohibited terms.**
7   Provisions included in a contract entered into pursuant to
8 this subchapter that impose terms or conditions prohibited by
9 this section are void as contrary to public policy. Such a
10 contract shall be interpreted and enforced as if the contract did
11 not include the prohibited terms or conditions. Prohibited terms
12 and conditions include all of the following:
13   1. A provision requiring the department or a supported entity
14 to defend, indemnify, hold harmless another person, or otherwise
15 assume the debt or liability of another person in violation of
16 Article VII, section 1, of the Constitution of the State of Iowa.
17   2. A provision that seeks to impose a term that is unknown
18 to the department or supported entity at the time of signing the
19 contract or that can be unilaterally changed by an entity other
20 than the department or a supported entity.
21   3. A provision that violates chapter 13 by not allowing
22 the department or a supported entity to participate in its own
23 defense through representation by the attorney general.
24   4. A provision that grants to a person other than the
25 attorney general the authority to convey to a court or litigant
26 the state's consent to any settlement of a suit involving the
27 contract when such settlement could impose liability on the
28 state.
29   5. A provision that specifies that the contract is governed
30 by the laws of a foreign state or nation.
31   6. A provision that claims blanket confidentiality of the
32 contract's terms.
33   7. A provision that claims that payment terms, including but
34 not limited to cost proposals or other pricing information, of
35 the contract are confidential.

1　　8.　A provision that authorizes or requires a venue for
2 litigation other than an appropriate state or federal court
3 sitting in Iowa.
4　　9.　A provision that requires the department or a supported
5 entity to pay attorney fees, court costs, or other litigation
6 expenses in the event of a contractual dispute.
7　　10.　A provision that imposes on the department or a supported
8 entity binding arbitration or any other binding extrajudicial
9 dispute resolution process in which the final resolution is not
10 determined by the state.
11　　11.　A provision that waives the department's or a supported
12 entity's right to a jury trial.
13　　12.　A provision that obligates the department or a supported
14 entity to pay late payment charges not consistent with section
15 8A.514, interest greater than allowed under section 8A.514 or
16 other applicable law, or any cancellation charges, as such
17 charges constitute pledges of the state's credit.
18　　13.　A provision that obligates the department or a supported
19 entity to pay a tax.
20　　14.　A provision that imposes a prior notice obligation on the
21 department or a supported entity as a condition for the automatic
22 renewal of a software license.　The department or a supported
23 entity may provide notice of its intent to terminate a software
24 license at any time before the renewal date established in the
25 contract.
26　　15.　A provision that obligates the department or a supported
27 entity to accept risk of loss before the receipt of items or
28 goods.
29　　16.　A provision that obligates the department or a supported
30 entity to have commercial insurance.
31　　17.　A provision that obligates the department or a supported
32 entity to grant to a nongovernmental entity full or partial
33 ownership of intellectual property developed pursuant to the
34 contract when the intellectual property is developed in whole or
35 in part using federal funding.

1   18. A provision that limits the time in which the department
2 or a supported entity may bring a legal claim under the contract
3 to a period shorter than that provided in Iowa law.
4   19. A boilerplate provision included in transactional
5 documents received by the department or a supported entity that
6 seeks to alter the terms of the contract or to impose new terms
7 in the contract.
8   Sec. 4. NEW SECTION. **8.95 Contracts — required terms.**
9   All of the following provisions shall be deemed to be included
10 in a contract entered into by the department or a supported
11 entity under this subchapter:
12   1. *Governing law.* The contract shall be governed by the laws
13 of the state of Iowa, without giving effect to any conflicts of
14 law principles of Iowa law that may require the application of
15 another jurisdiction's law.
16   2. *Venue.* Any litigation commenced in connection with the
17 contract shall be brought and maintained in an appropriate state
18 or federal court sitting in Iowa.
19   3. *State data.* *"State data"* means all data, records,
20 information, or content, in any form, that is provided by a
21 state governmental entity to a vendor or that is collected,
22 generated, or otherwise obtained by the vendor in the course
23 of providing a good or service to the state governmental
24 entity. *"State data"* does not include aggregated or deidentified
25 data collected by the vendor and used exclusively for the
26 vendor's internal purposes directly related to evaluating or
27 improving system performance, ensuring reliability, evaluating
28 product functionality, conducting system analytics, projecting
29 needs through capacity planning, ensuring license compliance,
30 or evaluating security. State data shall at all times remain
31 the sole and exclusive property of the state, and the vendor
32 shall use state data only as necessary to provide the contracted
33 services to the state. Upon request, the vendor shall provide
34 the state, at no cost, a current copy of all state data in a
35 commercially reasonable and state-acceptable digital format that

1 enables the state to readily use, transfer, or migrate the state
2 data. Except to the extent retention of state data is required
3 by law, the vendor shall, after confirming that the state has
4 received a copy of the state data, permanently delete all state
5 data upon the conclusion or termination of the contract. At
6 all times, including any post-contract period in which state
7 data is retained due to record retention obligations, the vendor
8 shall protect state data in accordance with current state data
9 protection policies.
10   Sec. 5. <u>NEW SECTION</u>. **8.96 Contracts —— limitation of**
11 **liability —— prohibited terms.**
12   Notwithstanding section 8A.311, subsection 22, and rules
13 adopted pursuant to that subsection, the director may include
14 a contractual limitation of vendor liability in information
15 technology goods and services contracts. A contractual
16 limitation of vendor liability must take into consideration
17 the public interest and the mitigation of risks associated
18 with the use of information technology goods or services.
19 Any portion of a contractual limitation of vendor liability
20 that includes a repudiation of all liability for cybersecurity
21 incidents or a limitation on the vendor's liability for
22 intentional torts, criminal acts, fraudulent conduct, intentional
23 or willful misconduct, gross negligence, death, bodily injury,
24 damage to real or personal property, intellectual property
25 violations, liquidated damages, compliance with applicable
26 laws, violations of confidential information obligations,
27 or contractual obligations of the vendor pertaining to
28 indemnification shall be void as a matter of law as contrary
29 to public policy. A contractual limit of vendor liability that
30 does not apply equally to the contracted parties or that limits
31 a vendor's liability to less than the contract value inclusive of
32 all possible extensions is void as a matter of law as contrary to
33 public policy.
34   Sec. 6. <u>NEW SECTION</u>. **8.97 Confidentiality of communications**
35 **with chief information security officer.**

1   In the interest of facilitating communication between the
2 chief information security officer and other entities concerning
3 security incidents and security breaches, all such communications
4 and any documents generated based in whole or in part on such
5 communications are confidential. Notwithstanding chapter 22 or
6 any other provision of law to the contrary, the department
7 shall not release such communications pursuant to state open
8 records laws, and such communications shall not be received
9 into evidence, subject to discovery, or otherwise used in a
10 trial, hearing, or other proceeding in or before any court,
11 regulatory body, or other authority of the state or a political
12 subdivision of the state, unless the communications are subject
13 to a protective order that prohibits further disclosure of
14 such communications and requires any court filings of such
15 communications to be made under seal. It is the intent of the
16 general assembly that these prohibitions and restrictions also
17 apply to federal courts, regulatory bodies, and other authorities
18 and for purposes of federal open records laws, to the extent
19 allowed by federal law and court rules. The chief information
20 security officer shall not release such communications other than
21 for any of the following purposes:
22   1. Identifying a cybersecurity threat, including the source
23 of the cybersecurity threat, or a security vulnerability, and
24 then only to government officials for purposes of addressing the
25 threat.
26   2. Responding to, or otherwise preventing or mitigating,
27 a specific threat of death, serious bodily harm, or serious
28 economic harm.
29   3. Responding to, investigating, prosecuting, or otherwise
30 preventing or mitigating a serious threat to a minor, including
31 sexual exploitation and threats to physical safety.
32   4. Preventing, investigating, disrupting, or prosecuting an
33 offense under state or federal law.
34   5. Providing a confidential cybersecurity briefing to the
35 governor or a member of the general assembly.

1   Sec. 7.   NEW SECTION.   **8.98 Criminal justice information.**
2   1.   The department is authorized to maintain an integrated
3 information system that enables automated data sharing among the
4 executive branch, judicial branch, and local agencies.
5   2.   The department is designated as the Iowa statistical
6 analysis center for the purpose of coordinating with data
7 resource agencies to provide data and analytical information
8 to federal, state, and local governments.   Notwithstanding any
9 other provision of state law to the contrary, unless prohibited
10 by federal law or regulation, the department shall be granted
11 access, for purposes of research and evaluation, to all of the
12 data listed in this subsection, except that intelligence data and
13 peace officer investigative reports maintained by the department
14 of public safety shall not be considered data for the purposes
15 of this section.   The department of management and any record,
16 data, or information obtained by the department under this
17 subsection is subject to the federal and state confidentiality
18 laws and rules, including as described in chapter 22, applicable
19 to the original record, data, or information, and to the original
20 custodian of the record, data, or information.   Authorized access
21 under this subsection includes but is not limited to all of the
22 following:
23   *a.*   Juvenile court records and all other information
24 maintained under sections 232.147 through 232.151.
25   *b.*   Child abuse information under sections 235A.15 through
26 235A.19.
27   *c.*   Dependent adult abuse records maintained under chapter
28 235B.
29   *d.*   Criminal history data maintained under chapter 692.
30   *e.*   Sex offender registry information maintained under chapter
31 692A.
32   *f.*   Presentence investigation reports maintained under section
33 901.4.
34   *g.*   Corrections records maintained under sections 904.601 and
35 904.602.

1   *h.*   Community-based correctional program records maintained
2 under chapter 904.
3   *i.*   Parole records maintained under chapter 906.
4   *j.*   Deferred judgment, deferred or suspended sentence, and
5 probation records maintained under chapter 907.
6   *k.*   Violation of parole or probation records maintained under
7 chapter 908.
8   *l.*   Fine and victim restitution records maintained under
9 chapters 909 and 910.
10   *m.*   Child welfare records maintained under chapter 235.
11   3.   The department is authorized to provide data analysis and
12 reporting on issues that may affect the state's correctional
13 population and various subgroups of the population. This
14 reporting may include the review of filed, public legislative
15 bills, joint resolutions, and amendments, and compiling criminal
16 justice data for completion of correctional impact statements
17 under section 2.56, minority impact statements, and an annual
18 prison population forecast.
19   4.   The department is authorized to maintain a multiagency
20 information system to track the progress of juveniles and adults
21 who have been charged with a criminal offense in the court system
22 through various state and local agencies and programs. This
23 system must utilize existing databases, including the Iowa court
24 information system, the Iowa corrections offender network, the
25 child welfare information system of the department of health
26 and human services, the federally mandated national adoption
27 and foster care information system, and other state and local
28 databases pertaining to juveniles and to adults who have been
29 charged with a criminal offense in the court system, to the
30 extent practicable.
31   5.   The multiagency information system is authorized to count
32 and track decision points for juveniles in the juvenile justice
33 system and minors in the child welfare system, evaluate the
34 experiences of the juveniles and minors, and evaluate the success
35 of the services provided. The system is also authorized to

1 count and track decision points for adults who have been charged
2 with a criminal offense in the court system, including but not
3 limited to dismissed charges, convictions, deferred judgments,
4 and sentence information.
5   6. If the department has insufficient moneys or resources to
6 implement this section, the department is authorized to determine
7 which portion of this section may be implemented, if any, and the
8 remainder of this section shall not apply.
9   Sec. 8. <u>NEW SECTION</u>. **8.99 Confidentiality of data.**
10   1. For purposes of chapter 22, the department shall not be
11 deemed to be the lawful custodian of records the department
12 maintains for another department or establishment under this
13 subchapter, to the extent the records in question are held by the
14 department as an automated data processing unit of government or
15 held by the department solely for storage for another department
16 or establishment. Such records include but are not limited to
17 all of the following:
18   *a.* Electronic messaging system data.
19   *b.* Mainframe data.
20   *c.* Storage solutions or other electronic information, such as
21 on-premises server data storage and cloud data storage.
22   2. If the department receives a request pursuant to chapter
23 22 for records over which the department has determined it
24 is not the lawful custodian, the department shall deny the
25 request and inform the requester to seek the information from
26 the lawful custodian as provided in chapter 22. The department's
27 determination that it is not the lawful custodian of records is
28 presumed valid. The presumption may be rebutted by clear and
29 convincing evidence to the contrary.
30   3. The department shall provide assistance to the lawful
31 custodian of records held by the department so that the lawful
32 custodian can comply with the production obligations of chapter
33 22.
34   4. If the department receives a subpoena in an
35 administrative, civil, or criminal case for records for which

1 the department is not the lawful custodian, the department shall
2 notify the lawful custodian and the attorney general's office and
3 cooperate in any efforts to resist the subpoena.
4   Sec. 9. Section 216A.131A, Code 2026, is amended to read as
5 follows:
6   **216A.131A Criminal and juvenile justice planning.**
7   The department shall fulfill the responsibilities of this
8 subchapter, including the duties specified in sections 216A.133,
9 216A.135, ~~216A.136, 216A.137, 216A.138,~~ and 216A.140.
10   Sec. 10. Section 216A.133, subsection 1, paragraphs d, e, f,
11 l, and t, Code 2026, are amended by striking the paragraphs.
12   Sec. 11. Section 216A.133, subsection 1, paragraph q,
13 subparagraphs (1) and (6), Code 2026, are amended by striking the
14 subparagraphs.
15   Sec. 12. Section 216A.133, subsection 1, paragraph s, Code
16 2026, is amended to read as follows:
17   *s.* Provide expertise and advice to the legislative services
18 agency, the department of management, the department of
19 corrections, the judicial branch, and others charged with
20 formulating fiscal, correctional, or minority impact statements.
21   Sec. 13. Section 216A.135, subsection 2, paragraph e, Code
22 2026, is amended by striking the paragraph.
23   Sec. 14. Section 232.147, subsection 2, paragraph i, Code
24 2026, is amended to read as follows:
25   *i.* The statistical analysis center for the purposes stated in
26 section ~~216A.136~~ 8.98.
27   Sec. 15. Section 232.147, subsection 3, paragraph n, Code
28 2026, is amended to read as follows:
29   *n.* The statistical analysis center for the purposes stated in
30 section ~~216A.136~~ 8.98.
31   Sec. 16. Section 232.147, subsection 4, paragraph i, Code
32 2026, is amended to read as follows:
33   *i.* The statistical analysis center for the purposes stated in
34 section ~~216A.136~~ 8.98.
35   Sec. 17. Section 232.149, subsection 5, paragraph f, Code

1 2026, is amended to read as follows:

2 *f.* The statistical analysis center for the purposes stated in

3 section ~~216A.136~~ 8.98.

4 Sec. 18. Section 232.149A, subsection 3, paragraph m, Code

5 2026, is amended to read as follows:

6 *m.* The statistical analysis center for the purposes stated in

7 section ~~216A.136~~ 8.98.

8 Sec. 19. REPEAL. Sections 216A.136, 216A.137, and 216A.138,

9 Code 2026, are repealed.

10 Sec. 20. EFFECTIVE DATE. The following take effect July 1,

11 2027:

12 The portions of the section of this Act amending section

13 8.57C, subsections 2 and 4.

14 Sec. 21. APPLICABILITY. The following apply to contracts

15 entered into or renewed on or after July 1, 2026:

16 1. The section of this Act enacting section 8.94.

17 2. The section of this Act enacting section 8.95.

18 3. The section of this Act enacting section 8.96.

19   EXPLANATION

20   The inclusion of this explanation does not constitute agreement with

21   the explanation's substance by the members of the general assembly.

22 This bill relates to matters under the purview of the

23 department of management (DOM).

24 The bill strikes current law providing for the use of moneys

25 in the technology reinvestment fund for certain technology

26 projects and instead requires DOM to use moneys in the fund

27 for technology projects using factors set forth in the bill.

28 The bill requires DOM to provide a prioritized list of proposed

29 projects to the governor, who must use the list to develop a

30 budgetary recommendation to the general assembly, and to report

31 completed and ongoing projects to the general assembly annually.

32 The bill strikes the standing appropriations to the technology

33 reinvestment fund and provides that any moneys in the fund shall

34 remain available for two years after the appropriation is made.

35 The bill increases the frequency at which a person performing

1 work for DOM or an individual on the information technology staff
2 of a supported entity may be subject to a national criminal
3 history check through the federal bureau of investigation from at
4 least once every 10 years to every 5 years.
5   The bill prohibits the inclusion of certain provisions in
6 information technology contracts and declares those provisions
7 void if present in such contracts. The bill also provides that
8 such contracts are deemed to include provisions relating to state
9 data, requiring the contract to be governed by Iowa law, and
10 requiring litigation related to the contract to be brought and
11 maintained in a state or federal court sitting in Iowa. The bill
12 authorizes the director of DOM to include limitations of vendor
13 liability in information technology goods and services contracts,
14 but sets forth prohibited terms in such limitations of liability.
15   The bill makes all communication concerning cybersecurity
16 between the chief information security officer and other entities
17 confidential and allows the communications to be released only
18 for specific purposes.
19   Under current law, the department of health and human services
20 serves as the Iowa statistical analysis center and maintains an
21 integrated information system for data sharing among federal,
22 state, and local governments. The bill transfers these powers
23 and duties to DOM and grants DOM access to criminal justice
24 information other than intelligence data and peace officer
25 investigative reports maintained by the department of public
26 safety. DOM is authorized to provide data analysis and reporting
27 on issues that may affect the state's correctional population and
28 various subgroups of the population, to maintain a multiagency
29 information system to track the progress of juveniles and
30 adults charged with a criminal offense through state and local
31 agencies and programs, and to count and track decision points for
32 individuals in the juvenile justice system, child welfare system,
33 and court system. If DOM lacks sufficient moneys to perform the
34 authorized tasks of the Iowa statistical analysis center, the
35 bill allows DOM to determine which, if any, to implement.

1   The bill states that DOM is not the lawful custodian under
2 Code chapter 22 (open records) for records DOM maintains in DOM's
3 information technology capacity for other state entities as an
4 automated data processing unit of government or when held by DOM
5 solely for storage for another department or establishment. The
6 bill requires DOM to deny requests for information for which DOM
7 is not the lawful custodian, to provide assistance to the lawful
8 custodian to comply with production obligations, and to cooperate
9 in any efforts to resist associated subpoenas.