

Senate File 626 - Introduced

SENATE FILE 626

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SSB 1216)

A BILL FOR

1 An Act relating to federal moneys and regulations, including the
2 appropriation of federal moneys made available from federal
3 block grants and other nonstate sources, the allocation
4 of portions of federal block grants, the procedures if
5 federal moneys or federal block grants are more or less than
6 anticipated, and the authorization of certain city regulations
7 when required under federal law, and including effective date
8 and retroactive applicability provisions.
9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

APPROPRIATIONS OF FEDERAL MONEYS

Section 1. SUBSTANCE ABUSE APPROPRIATIONS.

1. a. There is appropriated from the fund created pursuant to section 8.41 to the department of health and human services for the following federal fiscal years beginning October 1, and ending September 30, the following amounts:

FFY 2025-2026:..... \$ 14,116,120

FFY 2026-2027:..... \$ 14,116,120

b. The appropriations made in this subsection are in the amounts anticipated to be received from the federal government for the designated federal fiscal years under 42 U.S.C. ch. 6A, subch. XVII, part B, subpart ii, which provides for the prevention and treatment of substance abuse block grant. The department shall expend the moneys appropriated in this subsection as provided in the federal law making the moneys available and in conformance with chapter 17A.

c. Of the moneys appropriated for each federal fiscal year in this subsection, an amount not exceeding 5 percent shall be used by the department for administrative expenses.

d. (1) For the state fiscal year beginning July 1, 2025, the department shall expend no less than an amount equal to the amount expended for treatment services in the state fiscal year beginning July 1, 2024, for pregnant women and women with dependent children.

(2) For the state fiscal year beginning July 1, 2026, the department shall expend no less than an amount equal to the amount expended for treatment services in the state fiscal year beginning July 1, 2025, for pregnant women and women with dependent children.

2. At least 20 percent of the moneys remaining from the appropriation made in subsection 1 for each federal fiscal year shall be allocated for prevention programs.

3. In implementing the federal prevention and treatment of substance abuse block grant under 42 U.S.C. ch. 6A, subch. XVII,

1 and any other applicable provisions of the federal Public Health
 2 Service Act under 42 U.S.C. ch. 6A, the department shall apply
 3 the provisions of Pub. L. No. 106-310, §3305, as codified in 42
 4 U.S.C. §300x-65, relating to services under such federal law
 5 being provided by religious and other nongovernmental
 6 organizations.

7 Sec. 2. COMMUNITY MENTAL HEALTH SERVICES APPROPRIATIONS.

8 1. a. There is appropriated from the fund created pursuant
 9 to section 8.41 to the department of health and human services
 10 for the following federal fiscal years beginning October 1, and
 11 ending September 30, the following amounts:

12 FFY 2025-2026:.....	\$ 7,754,083
13 FFY 2026-2027:.....	\$ 7,754,083

14 b. The appropriations made in this subsection are in the
 15 amounts anticipated to be received from the federal government
 16 for the designated federal fiscal years under 42 U.S.C. ch. 6A,
 17 subch. XVII, part B, subpart i, which provides for the community
 18 mental health services block grant. The department shall expend
 19 the moneys appropriated in this subsection as provided in the
 20 federal law making the moneys available and in conformance with
 21 chapter 17A.

22 c. The department shall allocate not less than 95 percent of
 23 the amount of the block grant each federal fiscal year for
 24 eligible community mental health services for carrying out the
 25 plan submitted to and approved by the federal substance abuse and
 26 mental health services administration or required by the federal
 27 substance abuse and mental health services administration for the
 28 fiscal year involved.

29 2. An amount not exceeding 5 percent of the moneys
 30 appropriated in subsection 1 for each federal fiscal year shall
 31 be used by the department of health and human services for
 32 administrative expenses. From the moneys set aside by this
 33 subsection for administrative expenses, the department shall pay
 34 to the auditor of state an amount sufficient to pay the cost of
 35 auditing the use and administration of the state's portion of the

1 moneys appropriated in subsection 1. The auditor of state shall
2 bill the department for the costs of the audits.

3 Sec. 3. MATERNAL AND CHILD HEALTH SERVICES APPROPRIATIONS.

4 1. a. There is appropriated from the fund created pursuant
5 to section 8.41 to the department of health and human services
6 for the following federal fiscal years beginning October 1, and
7 ending September 30, the following amounts:

8 FFY 2025-2026:..... \$ 6,775,530

9 FFY 2026-2027:..... \$ 6,775,530

10 b. The appropriations made in this subsection are in the
11 amounts anticipated to be received from the federal government
12 for the designated federal fiscal years under 42 U.S.C. ch. 7,
13 subch. V, which provides for the maternal and child health
14 services block grant. The department shall expend the moneys
15 appropriated in this subsection as provided in the federal law
16 making the moneys available and in conformance with chapter 17A.

17 c. Moneys appropriated in this subsection shall not be used
18 by the university of Iowa hospitals and clinics for indirect
19 costs.

20 2. An amount not exceeding 10 percent of the moneys
21 appropriated in subsection 1 for each federal fiscal year shall
22 be used by the department of health and human services for
23 administrative expenses.

24 3. The department of health and human services, department of
25 education, and the university of Iowa's mobile and regional child
26 health specialty clinics shall continue to pursue to the maximum
27 extent feasible the coordination and integration of services to
28 women and children.

29 4. a. Sixty-three percent of the amount remaining after the
30 allocation made in subsection 2 for each federal fiscal year
31 shall be allocated to supplement appropriations for maternal and
32 child health programs within the department of health and human
33 services. Of these moneys, the following amounts shall be set
34 aside for the statewide perinatal care program for the following
35 federal fiscal years:

1 FFY 2025-2026:..... \$ 300,291

2 FFY 2026-2027:..... \$ 300,291

3 b. Thirty-seven percent of the amount remaining after the
4 allocation made in subsection 2 for each federal fiscal year
5 shall be allocated to the university of Iowa hospitals and
6 clinics under the control of the state board of regents for
7 mobile and regional child health specialty clinics. The
8 university of Iowa hospitals and clinics shall not receive an
9 allocation for indirect costs from the moneys for this program.
10 Priority shall be given to establishment and maintenance of a
11 statewide system of mobile and regional child health specialty
12 clinics.

13 5. The department of health and human services shall
14 administer the statewide maternal and child health program and
15 the disabled children's program by conducting mobile and regional
16 child health specialty clinics and conducting other activities to
17 improve the health of low-income women and children and to
18 promote the welfare of children with actual or potential
19 handicapping conditions and chronic illnesses in accordance with
20 the requirements of Tit. V of the federal Social Security Act.

21 Sec. 4. PREVENTIVE HEALTH AND HEALTH SERVICES
22 APPROPRIATIONS.

23 1. a. There is appropriated from the fund created pursuant
24 to section 8.41 to the department of health and human services
25 for the following federal fiscal years beginning October 1, and
26 ending September 30, the following amounts:

27 FFY 2025-2026:..... \$ 1,955,591

28 FFY 2026-2027:..... \$ 1,955,591

29 b. The appropriations made in this subsection are in the
30 amounts anticipated to be received from the federal government
31 for the designated federal fiscal years under 42 U.S.C. ch. 6A,
32 subch. XVII, part A, which provides for the preventive health and
33 health services block grant. The department shall expend the
34 moneys appropriated in this subsection as provided in the federal
35 law making the moneys available and in conformance with chapter

1 17A.

2 2. Of the moneys appropriated in subsection 1 for each
3 federal fiscal year, an amount not exceeding 10 percent shall be
4 used by the department for administrative expenses.

5 3. Of the moneys appropriated in subsection 1 for each
6 federal fiscal year, the specific amount of moneys stipulated by
7 the notice of the block grant award shall be allocated for
8 services to victims of sex offenses and for sex offense
9 prevention.

10 4. After deducting the moneys allocated in subsections 2 and
11 3, the remaining moneys appropriated in subsection 1 for each
12 federal fiscal year may be used by the department for healthy
13 people 2030 and Iowa's health improvement plan 2023-2027 program
14 objectives, preventive health advisory committee, and risk
15 reduction services, including nutrition programs, health
16 incentive programs, chronic disease services, emergency medical
17 services, monitoring of the fluoridation program and start-up
18 fluoridation grants, and acquired immune deficiency syndrome
19 services. The moneys specified in this subsection shall not be
20 used by the university of Iowa hospitals and clinics or by the
21 state hygienic laboratory for the funding of indirect costs.

22 Sec. 5. RESIDENTIAL SUBSTANCE ABUSE TREATMENT FOR STATE
23 PRISONERS FORMULA GRANT PROGRAM APPROPRIATIONS. There is
24 appropriated from the fund created pursuant to section 8.41 to
25 the office of drug control policy of the department of public
26 safety for the following federal fiscal years beginning October
27 1, and ending September 30, the following amounts:

28 FFY 2025-2026:.....	\$	422,329
29 FFY 2026-2027:.....	\$	307,388

30 The appropriations made in this section are the amounts
31 anticipated to be received from the federal government for the
32 designated federal fiscal years under 42 U.S.C. ch. 46, subch.
33 XII-G, which provides grants for substance abuse treatment
34 programs in state and local correctional facilities. The drug
35 policy director shall expend the moneys appropriated in this

1 section as provided in the federal law making the moneys
2 available and in conformance with chapter 17A.

3 Sec. 6. EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT
4 PROGRAM APPROPRIATIONS. There is appropriated from the fund
5 created pursuant to section 8.41 to the office of drug control
6 policy of the department of public safety for the following
7 federal fiscal years beginning October 1, and ending September
8 30, the following amounts:

9 FFY 2025-2026:.....	\$ 1,964,093
10 FFY 2026-2027:.....	\$ 2,178,973

11 The appropriations made in this section are in the amounts
12 anticipated to be received from the federal government for the
13 designated fiscal years under 42 U.S.C. ch. 46, subch. V, which
14 provides for the Edward Byrne memorial justice assistance grant
15 program. The drug policy director shall expend the moneys
16 appropriated in this section as provided in the federal law
17 making the moneys available and in conformance with chapter 17A.

18 Sec. 7. COMMUNITY SERVICES APPROPRIATIONS.

19 1. a. There is appropriated from the fund created pursuant
20 to section 8.41 to the department of health and human services
21 for the following federal fiscal years beginning October 1, and
22 ending September 30, the following amounts:

23 FFY 2025-2026:.....	\$ 8,300,123
24 FFY 2026-2027:.....	\$ 8,300,123

25 b. The appropriations made in this subsection are in the
26 amounts anticipated to be received from the federal government
27 for the designated federal fiscal years under 42 U.S.C. ch. 106,
28 which provides for the community services block grant. The
29 department of health and human services shall expend the moneys
30 appropriated in this subsection as provided in the federal law
31 making the moneys available and in conformance with chapter 17A.

32 c. Each federal fiscal year, the department of health and
33 human services shall allocate not less than 96 percent of the
34 amount of the block grants to eligible community action agencies
35 for programs benefiting low-income persons. Each eligible agency

1 shall receive a minimum allocation of not less than \$185,000.

2 The minimum allocation shall be achieved by redistributing
3 increased moneys from agencies experiencing a greater share of
4 available moneys. The moneys shall be distributed on the basis
5 of the poverty-level population in the area represented by the
6 community action areas compared to the size of the poverty-level
7 population in the state.

8 2. An amount not exceeding 4 percent of the moneys
9 appropriated in subsection 1 for each federal fiscal year shall
10 be used by the department of health and human services for
11 administrative expenses. From the moneys set aside by this
12 subsection for administrative expenses, the department of health
13 and human services shall pay to the auditor of state an amount
14 sufficient to pay the cost of auditing the use and administration
15 of the state's portion of the moneys appropriated in subsection
16 1. The auditor of state shall bill the department of health and
17 human services for the costs of the audits.

18 Sec. 8. COMMUNITY DEVELOPMENT APPROPRIATIONS.

19 1. a. There is appropriated from the fund created pursuant
20 to section 8.41 to the economic development authority for the
21 following federal fiscal years beginning October 1, and ending
22 September 30, the following amounts:

23 FFY 2025-2026:.....	\$ 26,500,000
24 FFY 2026-2027:.....	\$ 26,500,000

25 b. The appropriations made in this subsection are in the
26 amounts anticipated to be received from the federal government
27 for the designated federal fiscal years under 42 U.S.C. ch. 69,
28 which provides for community development block grants. The
29 economic development authority shall expend the moneys
30 appropriated in this subsection as provided in the federal law
31 making the moneys available and in conformance with chapter 17A.

32 2. a. An amount not exceeding \$1,160,000 for the federal
33 fiscal year beginning October 1, 2025, shall be used by the
34 economic development authority for administrative expenses for
35 the community development block grant. The total amount used for

1 administrative expenses includes \$630,000 for the federal fiscal
 2 year beginning October 1, 2025, of moneys appropriated in
 3 subsection 1 and a matching contribution from the state equal to
 4 \$530,000 from the appropriation of state moneys for the community
 5 development block grant and state appropriations for related
 6 activities of the economic development authority. From the
 7 moneys set aside for administrative expenses by this subsection,
 8 the economic development authority shall pay to the auditor of
 9 state an amount sufficient to pay the cost of auditing the use
 10 and administration of the state's portion of the moneys
 11 appropriated in subsection 1. The auditor of state shall bill
 12 the authority for the costs of the audit.

13 b. An amount not exceeding \$1,160,000 for the federal fiscal
 14 year beginning October 1, 2026, shall be used by the economic
 15 development authority for administrative expenses for the
 16 community development block grant. The total amount used for
 17 administrative expenses includes \$630,000 for the federal fiscal
 18 year beginning October 1, 2026, of moneys appropriated in
 19 subsection 1 and a matching contribution from the state equal to
 20 \$530,000 from the appropriation of state moneys for the community
 21 development block grant and state appropriations for related
 22 activities of the economic development authority. From the
 23 moneys set aside for administrative expenses by this subsection,
 24 the economic development authority shall pay to the auditor of
 25 state an amount sufficient to pay the cost of auditing the use
 26 and administration of the state's portion of the moneys
 27 appropriated in subsection 1. The auditor of state shall bill
 28 the authority for the costs of the audit.

29 Sec. 9. SURFACE TRANSPORTATION BLOCK GRANT PROGRAM
 30 APPROPRIATIONS. There is appropriated from the fund created
 31 pursuant to section 8.41 to the department of transportation for
 32 the following federal fiscal years beginning October 1, and
 33 ending September 30, the following amounts:
 34 FFY 2025-2026:..... \$192,600,000
 35 FFY 2026-2027:..... \$192,600,000

1 The appropriations made in this section are the amounts
 2 anticipated to be received from the federal government for the
 3 designated fiscal years under 23 U.S.C. ch. 1, §133, which
 4 provides funding allocated by the state transportation commission
 5 for state and local transportation projects. The department
 6 shall expend the moneys appropriated in this section as provided
 7 in the federal law making the moneys available and in conformance
 8 with chapter 17A.

9 Sec. 10. LOW-INCOME HOME ENERGY ASSISTANCE APPROPRIATIONS.

10 1. a. There is appropriated from the fund created pursuant
 11 to section 8.41 to the department of health and human services
 12 for the following federal fiscal years beginning October 1, and
 13 ending September 30, the following amounts:

14 FFY 2025-2026:..... \$ 58,058,248

15 FFY 2026-2027:..... \$ 58,058,248

16 b. The appropriations made in this subsection are in the
 17 amounts anticipated to be received from the federal government
 18 for the designated federal fiscal years under 42 U.S.C. ch. 94,
 19 subch. II, which provides for the low-income home energy
 20 assistance block grants. The department of health and human
 21 services shall expend the moneys appropriated in this subsection
 22 as provided in the federal law making the moneys available and in
 23 conformance with chapter 17A.

24 2. Up to 15 percent, or up to 25 percent if a waiver is
 25 approved by the United States department of health and human
 26 services, of the amount appropriated in this section that is
 27 actually received for each federal fiscal year shall be used for
 28 residential weatherization or other related home repairs for
 29 low-income households. Of this allocation amount, not more than
 30 10 percent may be used for administrative expenses.

31 3. After subtracting the allocation in subsection 2, no less
 32 than 8.4 percent of the remaining moneys for each federal fiscal
 33 year are allocated for administrative expenses of the low-income
 34 home energy assistance program contractors, and up to 1.6 percent
 35 of the remaining moneys are allocated each federal fiscal year

1 for the low-income home energy assistance program for
 2 administrative expenses of the department of health and human
 3 services. The costs of auditing the use and administration of
 4 the portion of the appropriation in this section that is retained
 5 by the state shall be paid from the amount allocated in this
 6 subsection each federal fiscal year to the department of health
 7 and human services. The auditor of state shall bill the
 8 department of health and human services for the audit costs.

9 4. The remaining moneys of the appropriation made in this
 10 section for each federal fiscal year following the allocations
 11 made in subsections 2 and 3, shall be used to help eligible
 12 households as defined in 42 U.S.C. ch. 94, subch. II, to meet
 13 home energy costs.

14 5. Not more than 10 percent of the amount appropriated in
 15 this section each federal fiscal year that is actually received
 16 may be carried forward for use in the succeeding federal fiscal
 17 year.

18 6. Expenditures for assessment and resolution of energy
 19 problems shall be limited to not more than 5 percent of the
 20 amount appropriated in this section for each federal fiscal year
 21 that is actually received.

22 Sec. 11. SOCIAL SERVICES APPROPRIATIONS.

23 1. There is appropriated from the fund created pursuant to
 24 section 8.41 to the department of health and human services for
 25 the following federal fiscal years beginning October 1, and
 26 ending September 30, the following amounts:

27 FFY 2025-2026:.....	\$ 15,264,832
28 FFY 2026-2027:.....	\$ 15,264,832

29 2. The appropriations made in this section are in the amounts
 30 anticipated to be received from the federal government for the
 31 designated federal fiscal years under 42 U.S.C. ch. 7, subch. XX,
 32 which provides for the social services block grant. The
 33 department of health and human services shall expend the moneys
 34 appropriated in this section as provided in the federal law
 35 making the moneys available and in conformance with chapter 17A.

1 Sec. 12. SOCIAL SERVICES BLOCK GRANT PLAN.

2 1. The department of health and human services during each
3 state fiscal year shall develop a plan for the use of federal
4 social services block grant moneys for the subsequent state
5 fiscal year.

6 2. The proposed plan shall include all programs and services
7 at the state level which the department proposes to fund with
8 federal social services block grant moneys, and shall identify
9 state and other moneys which the department proposes to use to
10 fund the state programs and services.

11 3. The proposed plan shall also include all local programs
12 and services which are eligible to be funded with federal social
13 services block grant moneys, the total amount of federal social
14 services block grant moneys available for the local programs and
15 services, and the manner of distribution of the federal social
16 services block grant moneys to the counties. The proposed plan
17 shall identify state and local moneys which will be used to fund
18 the local programs and services.

19 4. The proposed plan shall be submitted with the department's
20 budget requests to the governor and the general assembly.

21 Sec. 13. PROJECTS FOR ASSISTANCE IN TRANSITION FROM
22 HOMELESSNESS.

23 1. Upon receipt of the minimum formula grant from the
24 substance abuse and mental health services administration to
25 provide mental health services for the homeless, for the state
26 fiscal years beginning July 1, 2025, and July 1, 2026, the
27 department of health and human services shall assure that a
28 project which receives moneys under the formula grant shall do
29 all of the following:

30 a. Provide outreach and engagement to homeless individuals
31 and individuals at risk of homelessness and assesses those
32 individuals for serious mental illness.

33 b. Enroll those individuals with serious mental illness who
34 are willing to accept services through the project.

35 c. Provide case management to homeless persons.

1 d. Provide appropriate training to persons who provide
2 services to persons targeted by the grant.

3 e. Assure a local match share of 25 percent.

4 f. Refer homeless individuals and individuals at risk of
5 homelessness to primary health care, job training, educational
6 services, and relevant housing services.

7 2. A project may expend moneys for community mental health
8 services, diagnostic services, crisis intervention services,
9 habilitation and rehabilitation services, substance-related
10 disorder services, supportive and supervisory services to
11 homeless persons living in residential settings that are
12 not otherwise supported, and housing services including minor
13 renovation, expansion, and repair of housing, security deposits,
14 planning of housing, technical assistance in applying for
15 housing, improving the coordination of housing services, the
16 costs associated with matching eligible homeless individuals with
17 appropriate housing, and one-time rental payments to prevent
18 eviction.

19 Sec. 14. CHILD CARE AND DEVELOPMENT APPROPRIATIONS.

20 1. a. There is appropriated from the fund created pursuant
21 to section 8.41 to the department of health and human services
22 for the following federal fiscal years beginning October 1, and
23 ending September 30, the following amounts:

24 FFY 2025-2026:..... \$109,630,285

25 FFY 2026-2027:..... \$109,630,285

26 b. The appropriations made in this section are in the amounts
27 anticipated to be received from the federal government for the
28 designated federal fiscal years under 42 U.S.C. ch. 105, subch.
29 II-B, which provides for the child care and development block
30 grant. The department shall expend the moneys appropriated in
31 this section as provided in the federal law making the moneys
32 available and in conformance with chapter 17A.

33 2. Moneys appropriated in this section that remain
34 unencumbered or unobligated at the close of the fiscal year shall
35 revert to be available for appropriation for purposes of the

1 child care and development block grant in the succeeding fiscal
2 year.

3 Sec. 15. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES
4 APPROPRIATIONS.

5 1. a. There is appropriated from the fund created in section
6 8.41 to the department of health and human services for the
7 following federal fiscal years beginning October 1, and ending
8 September 30, the following amounts:
9 FFY 2025-2026:..... \$130,980,383
10 FFY 2026-2027:..... \$130,980,383

11 b. The appropriations made in this subsection are in the
12 amounts anticipated to be received from the federal government
13 for the designated federal fiscal years under the federal
14 Personal Responsibility and Work Opportunity Reconciliation Act
15 of 1996, Pub. L. No. 104-193, and successor legislation, which
16 provides for the temporary assistance for needy families block
17 grant. The department of health and human services shall expend
18 the moneys appropriated in this subsection in conformance with
19 chapter 17A, and as provided in the federal law making the moneys
20 available, to meet one of the four core purposes of the temporary
21 assistance for needy families block grant as described in 45
22 C.F.R. §260.20, including by modernizing applicable programs to
23 promote economic mobility and self-sufficiency, ensuring families
24 are able to overcome benefit cliffs, encouraging healthy
25 families, and streamlining service delivery to reduce duplication
26 of services.

27 2. Up to 15 percent of the moneys appropriated in subsection
28 1 for each federal fiscal year shall be used by the department of
29 health and human services for administrative expenses in
30 accordance with the federal Personal Responsibility and Work
31 Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and
32 successor legislation. The costs of auditing the use and
33 administration of the portion of the appropriation in this
34 section that is retained by the state shall be paid from the
35 amount allocated in this subsection each federal fiscal year to

1 the department of health and human services. The auditor of
2 state shall bill the department of health and human services for
3 the audit costs.

4 3. Notwithstanding section 8.33, moneys appropriated in this
5 section for the federal fiscal year beginning October 1, 2025,
6 and ending September 30, 2026, that remain unencumbered or
7 unobligated at the close of the fiscal year shall not revert but
8 shall remain available for expenditure for the purposes
9 designated until the close of the succeeding fiscal year.

10 Sec. 16. PROCEDURE FOR REDUCED FEDERAL MONEYS.

11 1. Unless otherwise necessary to meet federal requirements,
12 if the moneys received from the federal government for the
13 block grants specified in this Act are less than the amounts
14 appropriated, the moneys actually received shall be prorated
15 by the governor for the various programs, other than for
16 the services to victims of sex offenses and for sex offense
17 prevention under section 4, subsection 3, of this Act, for
18 which each block grant is available according to the percentages
19 that each program is to receive as specified in this Act.
20 However, if the governor determines that the moneys allocated
21 by the percentages will not be sufficient to accomplish the
22 purposes of a particular program, or if the appropriation is not
23 allocated by percentage, the governor may allocate the moneys in
24 a manner which will accomplish to the greatest extent possible
25 the purposes of the various programs for which the block grants
26 are available.

27 2. Before the governor implements the actions provided for in
28 subsection 1, the following procedures shall be taken:

29 a. The chairpersons and ranking members of the senate and
30 house standing committees on appropriations, the appropriate
31 chairpersons and ranking members of subcommittees of those
32 committees, and the director of the legislative services agency
33 shall be notified of the proposed action.

34 b. The notice shall include the proposed allocations, and
35 information on the reasons why particular percentages or amounts

1 of moneys are allocated to the individual programs, the
2 departments and programs affected, and other information deemed
3 useful. Chairpersons and ranking members notified shall be
4 allowed at least two weeks to review and comment on the proposed
5 action before the action is taken.

6 Sec. 17. PROCEDURE FOR INCREASED FEDERAL MONEYS.

7 1. Unless otherwise necessary to meet federal requirements,
8 if moneys received from the federal government in the form of
9 block grants exceed the amounts appropriated in sections 1, 2,
10 3, 4, and 8 of this Act, the excess shall be prorated to the
11 appropriate programs according to the percentages specified in
12 those sections, except additional moneys shall not be prorated
13 for administrative expenses.

14 2. If actual moneys received from the federal government from
15 block grants exceed the amount appropriated in section 10 of this
16 Act for the low-income home energy assistance program, not more
17 than 15 percent of the excess may be allocated to the low-income
18 residential weatherization program and not more than 10 percent
19 of the excess may be used for administrative costs.

20 3. If moneys received from the federal government from
21 community services block grants exceed the amount appropriated in
22 section 7 of this Act, 100 percent of the excess is allocated to
23 the community services block grant program.

24 Sec. 18. PROCEDURE FOR EXPENDITURE OF ADDITIONAL FEDERAL
25 MONEYS. If other federal grants, receipts, and moneys and other
26 nonstate grants, receipts, and moneys become available or are
27 awarded which are not available or awarded during the period
28 in which the general assembly is in session, but which require
29 expenditure by the applicable department or agency prior to March
30 15 of the fiscal years beginning July 1, 2025, and July 1, 2026,
31 these grants, receipts, and moneys are appropriated to the extent
32 necessary, provided that the fiscal committee of the legislative
33 council is notified within 30 days of receipt of the grants,
34 receipts, or moneys and the fiscal committee of the legislative
35 council has an opportunity to comment on the expenditure of the

1 grants, receipts, or moneys.

2 Sec. 19. OTHER GRANTS, RECEIPTS, AND MONEYS. Federal grants,
3 receipts, and moneys and other nonstate grants, receipts, and
4 moneys, available in whole or in part of the state fiscal years
5 beginning July 1, 2025, and July 1, 2026, are appropriated to
6 the following departments and agencies that are designated by and
7 for the purposes set forth in the grants, receipts, or conditions
8 accompanying the receipt of the moneys, unless otherwise provided
9 by law:

- 10 1. Department of administrative services.
- 11 2. Department of agriculture and land stewardship.
- 12 3. Office of auditor of state.
- 13 4. Department for the blind.
- 14 5. Department of corrections.
- 15 6. Economic development authority.
- 16 7. Department of education.
- 17 8. Iowa ethics and campaign disclosure board.
- 18 9. Iowa finance authority.
- 19 10. Offices of the governor and lieutenant governor.
- 20 11. Department of health and human services.
- 21 12. Department of homeland security and emergency management.
- 22 13. Department of inspections, appeals, and licensing.
- 23 14. Department of insurance and financial services.
- 24 15. Judicial branch.
- 25 16. Department of justice.
- 26 17. Iowa law enforcement academy.
- 27 18. Department of management.
- 28 19. Department of natural resources.
- 29 20. Board of parole.
- 30 21. Department of public defense.
- 31 22. Department of public safety.
- 32 23. State board of regents.
- 33 24. Department of revenue.
- 34 25. Office of secretary of state.
- 35 26. Iowa state fair authority.

- 1 27. Office for state-federal relations.
- 2 28. Iowa telecommunications and technology commission.
- 3 29. Office of treasurer of state.
- 4 30. Department of transportation.
- 5 31. Iowa utilities commission.
- 6 32. Department of veterans affairs.
- 7 33. Department of workforce development.

8 DIVISION II

9 CITY REGULATION OF DEVELOPERS, CONTRACTORS, AND SUBCONTRACTORS

10 Sec. 20. Section 364.3, subsection 20, as enacted by 2025
11 Iowa Acts, Senate File 603, is amended to read as follows:

12 20. A city shall not adopt or enforce an ordinance,
13 motion, resolution, or amendment that imposes restrictions,
14 qualifications, or requirements on developers, contractors, or
15 subcontractors related to a developer's or contractor's employee
16 compensation or training beyond what is expressly authorized by
17 state law. A city shall not make receipt of any incentives, or
18 the eligibility for such incentives, contingent upon compliance
19 with any such restrictions, qualifications, or requirements,
20 except as required under federal law.

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

23 Sec. 22. RETROACTIVE APPLICABILITY. This division of this
24 Act applies retroactively to March 28, 2025.

25 EXPLANATION

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

28 This bill relates to federal moneys and regulations.

29 DIVISION I — APPROPRIATIONS OF FEDERAL MONEYS. The bill
30 appropriates moneys for the 2025-2026 and 2026-2027 federal
31 fiscal years from block grants available from the federal
32 government and provides procedures for increasing or decreasing
33 the appropriations if the amounts of the block grants are
34 increased or decreased from the amounts anticipated. The federal
35 fiscal year begins October 1, and the state fiscal year begins

1 July 1. The bill also makes standing appropriations for the
2 2025-2026 and 2026-2027 state fiscal years of other federal and
3 nonstate grants, receipts, and moneys.

4 DIVISION II — CITY REGULATION OF DEVELOPERS, CONTRACTORS,
5 AND SUBCONTRACTORS. Pursuant to 2025 Iowa Acts, Senate File 603,
6 a city is not permitted to make the receipt of or eligibility
7 for incentives contingent upon compliance with a restriction,
8 qualification, or requirement on a developer's, contractor's, or
9 subcontractor's employee compensation or training beyond what is
10 expressly authorized by state law. The bill provides that a city
11 may do so if required under federal law.

12 This division of the bill takes effect upon enactment and is
13 retroactively applicable to March 28, 2025.