

House File 2753 - Introduced

HOUSE FILE 2753

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HF 1047)

(SUCCESSOR TO HSB 333)

A BILL FOR

1 An Act relating to prison infrastructure.

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

1 Section 1. Section 12.80, subsection 4, Code 2026, is
2 amended to read as follows:

3 4. The net proceeds from the bonds issued under **this section**
4 shall be deposited into the ~~FY 2009 prison bonding fund~~ new
5 prison construction account of the Iowa prison infrastructure
6 fund created in section 602.8108A.

7 Sec. 2. Section 602.8108A, Code 2026, is amended to read as
8 follows:

9 **602.8108A Prison Iowa prison infrastructure fund — new**
10 **prison construction account — prison recidivism reduction**
11 **account.**

12 1. The Iowa prison infrastructure fund is created and
13 established as a separate and distinct fund in the state
14 treasury. Notwithstanding any other provision of **this chapter**
15 to the contrary, ~~the first eight million dollars and, beginning~~
16 ~~July 1, 1997,~~ the first nine million five hundred thousand
17 dollars, of moneys remitted to the treasurer of state from
18 fines, fees, costs, and forfeited bail collected by the clerks
19 of the district court in criminal cases, including those
20 collected for both scheduled and nonscheduled violations,
21 collected in each fiscal year ~~commencing with the fiscal~~
22 ~~year beginning July 1, 1995,~~ shall be deposited in the fund.
23 ~~Beginning July 1, 2009,~~ the The treasurer of state shall
24 certify to the judicial branch the annual amount of ~~funds~~
25 moneys necessary to be remitted for deposit into the fund for
26 that fiscal year and such moneys shall be remitted to the
27 treasurer of state from fines, fees, costs, and forfeited bail
28 collected by the clerks of the district court in criminal
29 cases, including those collected for both scheduled and
30 nonscheduled violations, for debt payments and deposits
31 expected to be paid from the fund. ~~Interest~~ Notwithstanding
32 section 12C.7, subsection 2, interest and other income earned
33 by the fund shall be deposited in the fund. However, ~~beginning~~
34 ~~with the fiscal year beginning July 1, 1998,~~ all fines and
35 fees attributable to commercial vehicle violation citations

1 ~~issued after July 1, 1998,~~ shall be deposited as provided
 2 in [section 602.8108, subsection 8](#). The moneys in the fund
 3 are appropriated and shall have priority and precedence for
 4 the purpose of paying the principal of, premium, if any,
 5 and interest on bonds issued by the Iowa finance authority
 6 under [section 16.177](#). Any remaining moneys not otherwise
 7 appropriated for purposes of paying the principal, premium,
 8 and interest on the bonds issued by the Iowa finance authority
 9 pursuant to [section 16.177](#) shall be available and appropriated
 10 to the treasurer of state pursuant to [section 12.80](#). Except as
 11 otherwise provided in [subsection 2](#), amounts in the ~~funds~~ fund
 12 shall not be subject to appropriation for any purpose by the
 13 general assembly, but shall be used only for the purposes set
 14 forth in [this section](#). The treasurer of state shall act as
 15 custodian of the fund and disburse amounts contained in ~~it~~ the
 16 fund as directed by the department of corrections including the
 17 automatic disbursement of ~~funds~~ moneys pursuant to the terms
 18 of bond indentures and documents and security provisions to
 19 trustees and custodians. The treasurer of state is authorized
 20 to invest the ~~funds~~ moneys deposited in the fund subject to
 21 any limitations contained in any applicable bond proceedings.
 22 Any amounts remaining in the fund at the end of each fiscal
 23 year, other than moneys in the new prison construction account
 24 created in subsection 2 or the prison recidivism reduction
 25 account created in subsection 3, shall be transferred to the
 26 general fund of the state.

27 2. ~~If the treasurer of state determines that bonds cannot be~~
 28 ~~issued pursuant to [this section](#) and [sections 12.80](#) and [16.177](#)~~
 29 ~~or if there are any remaining moneys at the end of a fiscal year~~
 30 ~~after the appropriations are paid pursuant to [sections 12.80](#)~~
 31 ~~and [16.177](#), the treasurer of state shall deposit the moneys in~~
 32 ~~the prison infrastructure fund into the general fund of the~~
 33 ~~state. A new prison construction account is created within the~~
 34 ~~Iowa prison infrastructure fund. For the fiscal year beginning~~
 35 ~~July 1, 2026, and each fiscal year thereafter, if bonds~~

1 pertaining to prison infrastructure financing for the Iowa
2 state penitentiary are paid off, an amount equal to sixty-six
3 and seven-tenths percent paid on such bonds for the fiscal
4 year beginning July 1, 2025, shall be deposited in the new
5 prison construction account from the Iowa prison infrastructure
6 fund and shall only be used pursuant to an appropriation made
7 by the general assembly for the construction of new prisons
8 or the replacement of infrastructure at existing prisons.
9 Notwithstanding section 8.33, moneys in the account that remain
10 unencumbered or unobligated at the close of a fiscal year shall
11 not revert but shall remain available for expenditure for the
12 purposes designated. Notwithstanding section 12C.7, subsection
13 2, interest or earnings on moneys in the account shall be
14 credited to the account.

15 3. A prison recidivism reduction account is created within
16 the Iowa prison infrastructure fund. For the fiscal year
17 beginning July 1, 2026, and each fiscal year thereafter, if
18 bonds pertaining to prison infrastructure financing for the
19 Iowa state penitentiary are paid off, an amount equal to
20 thirty-three and three-tenths percent paid on such bonds for
21 the fiscal year beginning July 1, 2025, shall be deposited
22 in the prison recidivism reduction account from the Iowa
23 prison infrastructure fund and shall only be used pursuant
24 to an appropriation made by the general assembly for the
25 establishment of newly created or the expansion of existing
26 programs identified by the department of corrections for the
27 purpose of reducing recidivism of inmates at existing or
28 newly constructed prisons. Notwithstanding section 8.33,
29 moneys in the account that remain unencumbered or unobligated
30 at the close of a fiscal year shall not revert but shall
31 remain available for expenditure for the purposes designated.
32 Notwithstanding section 12C.7, subsection 2, interest or
33 earnings on moneys in the account shall be credited to the
34 account.

35 **Sec. 3. NEW SECTION. 904.115A Infrastructure report by**

1 **department.**

2 Annually, on or before January 15 of each year, the
3 department shall report to the general assembly and the
4 department of management the status of all infrastructure
5 projects completed or in progress. The report must include
6 a description of the project, the work completed, the total
7 estimated cost of the project, a list of all revenue sources
8 being used to fund the project, the amount of moneys expended,
9 the amount of moneys obligated, and the date the project was
10 completed or an estimated completion date of the project, where
11 applicable.

12 Sec. 4. REPEAL. Section 12.79, Code 2026, is repealed.

13 Sec. 5. LEGISLATIVE INTERIM STUDY COMMITTEE — CONSTRUCTION
14 AND OPERATION OF ADDITIONAL PRISON IN THE STATE.

15 1. The legislative council is requested to establish an
16 interim study committee to meet during the 2026 legislative
17 interim to explore and consider issues involving prison
18 capacity and the feasibility of an additional prison or other
19 prison housing options. The interim study committee shall
20 consider all of the following:

21 a. Need.

22 b. Geographic locations.

23 c. Existing state infrastructure that could be converted to
24 a prison.

25 d. The level of security classification most needed in the
26 current system.

27 e. The possibility of adding additional units to existing
28 prisons.

29 f. The feasibility of a new prison operation, public or
30 otherwise, or the expansion of the current state operation.

31 g. Advancements in prison technology that increase prison
32 efficiency.

33 h. Staffing needs.

34 i. Programs that can be established or expanded by the
35 department of corrections for the purpose of reducing the

1 recidivism rate of inmates.

2 2. a. The interim study committee shall include all of the
3 following members:

4 (1) Two senators appointed by the majority leader of the
5 senate.

6 (2) One senator appointed by the minority leader of the
7 senate.

8 (3) Two representatives appointed by the speaker of the
9 house of representatives.

10 (4) One representative appointed by the minority leader of
11 the house of representatives.

12 b. The interim study committee shall elect one of its
13 members as chairperson.

14 3. On or before December 18, 2026, the interim study
15 committee shall submit a report to the general assembly and the
16 governor.

17 EXPLANATION

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

20 This bill creates a new prison construction account and
21 a prison recidivism reduction account within the Iowa prison
22 infrastructure (IPI) fund.

23 Under current law, the treasurer of state is authorized to
24 issue bonds to provide prison infrastructure financing (Code
25 section 12.80) and the Iowa finance authority is authorized
26 to issue bonds to provide prison infrastructure financing for
27 projects approved for financing by the general assembly (Code
28 section 16.177). In either case, the bonds may be paid from
29 moneys in the IPI fund (Code section 602.8108A), which receives
30 moneys each fiscal year from fines, fees, costs, and forfeited
31 bail collected by the clerks of the district court in criminal
32 cases.

33 The bill provides that for FY 2026-2027, and each fiscal
34 year thereafter, if infrastructure financing bonds pertaining
35 to the Iowa state penitentiary (Fort Madison, Iowa) are paid

1 off, an amount equal to 66.7 percent paid on such bonds for FY
2 2025-2026 shall be deposited into the new prison construction
3 account from the IPI fund and shall only be used pursuant to an
4 appropriation made by the general assembly for the construction
5 of new prisons or the replacement of infrastructure at existing
6 prisons. Moneys in the account do not revert and are not
7 deposited in the general fund of the state at the end of each
8 fiscal year (unlike the other moneys in the IPI fund).

9 The bill also provides that for FY 2026-2027, and each fiscal
10 year thereafter, if infrastructure financing bonds pertaining
11 to the Iowa state penitentiary are paid off, an amount equal
12 to 33.3 percent paid on such bonds for FY 2025-2026 shall
13 be deposited in the prison recidivism reduction account from
14 the Iowa prison infrastructure fund and shall only be used
15 pursuant to an appropriation made by the general assembly for
16 the establishment of newly created or the expansion of existing
17 programs identified by the department of corrections for the
18 purpose of reducing recidivism of inmates at existing or newly
19 constructed prisons. Moneys in the account do not revert and
20 are not deposited in the general fund of the state at the end of
21 each fiscal year (unlike the other moneys in the IPI fund).

22 The bill repeals the FY 2009 prison bonding fund (Code
23 section 12.79) and moves the infrastructure project reporting
24 requirement for the department of corrections in that Code
25 section to Code chapter 904 (department of corrections).

26 The bill requests that the legislative council establish
27 an interim study committee to explore and consider issues
28 involving prison capacity and the feasibility of an additional
29 prison or other prison housing options. The interim study
30 committee is directed to consider factors set forth in the
31 bill. The bill requires the interim study committee to, on
32 or before December 18, 2026, submit a report to the general
33 assembly and the governor.