

**House Study Bill 623 - Introduced**

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED DEPARTMENT OF  
HEALTH AND HUMAN SERVICES  
BILL)

**A BILL FOR**

1 An Act relating to early childhood and family services,  
2 including the creation of an early childhood and family  
3 services system, state child care assistance for the child  
4 care workforce, making appropriations, and including  
5 effective date 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 through which the ECFS system is administered or will be administered.
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. *"Health and human services district"* means the same as  
7 defined in section 217.1.

8 12. *"HOPES-HFI program"* means the healthy opportunities for  
9 parents to experience success – healthy families Iowa program  
10 established in section 234A.5.

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

16 14. *"Primary prevention strategies"* means a comprehensive  
17 set of services and supports provided through the ECFS system  
18 that are designed to strengthen families, promote healthy child  
19 development, and prevent adverse outcomes before they occur.  
20 These activities focus on addressing the underlying social,  
21 economic, and environmental conditions that place children and  
22 families at risk, such as poverty, social isolation, and lack  
23 of access to quality early care and education.

24 15. *"Protective factor"* means an inherent strength,  
25 resource, or capacity of a family, or a resource that helps a  
26 family thrive, buffer against stress, and reduce the likelihood  
27 of child abuse, neglect, or other poor outcome.

28 16. *"Strength-based"* means an approach that focuses  
29 on identifying and building upon the inherent strengths,  
30 resources, and capacities of a family to support the family's  
31 growth, resilience, and well-being.

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

34 1. a. An early childhood and family services system  
35 is established under the control of the department for

1 the purposes of implementing a statewide array of primary  
2 prevention strategies, early intervention strategies, and  
3 ongoing family and community resources for families and their  
4 children under nineteen years of age, with an emphasis on  
5 children under six years of age.

6 *b.* An ECFS district is established in each health and human  
7 services district. The boundaries for each ECFS district shall  
8 be the same as the health and human services district in which  
9 the ECFS district was established.

10 2. The ECFS system shall be administered in a manner to  
11 maximize funding opportunities, interagency collaboration,  
12 public-private partnerships, and the integration of early care,  
13 education, and health and human services systems.

14 3. The ECFS system shall support equitable statewide access  
15 to all services, supports, and other resources offered through  
16 the ECFS system that, at a minimum, shall include all of the  
17 following:

18 *a.* Evidence-based primary prevention strategies, including  
19 parent skill building and education programs designed to assist  
20 families in establishing healthy, successful futures.

21 *b.* Tailored early intervention strategies for children and  
22 families to ensure long-term well-being, including economic  
23 self-sufficiency.

24 *c.* Ongoing family and community resources for children and  
25 families to address the root causes of child abuse and neglect  
26 and strengthen protective factors.

27 *d.* Early childhood services such as programs for children  
28 under six years of age, evidence-based family support and home  
29 visiting services, and community resources.

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

34 *a.* Plan, establish, and maintain primary prevention  
35 strategies, early intervention strategies, and ongoing family

1 and community resources.

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

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

8 (a) Collaborate with stakeholders including but not  
9 limited to experienced public health and medical providers,  
10 law enforcement, educators, and organizations that represent  
11 populations including but not limited to children to be served  
12 by the ECFS system.

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

16 *c.* Administer the ECFS system in each ECFS district based on  
17 early childhood and family services district plans.

18 *d.* Establish ECFS district advisory councils pursuant to  
19 section 234A.3.

20 *e.* Coordinate administration of each ECFS district plan with  
21 federal and state resources.

22 *f.* Enter into contracts as necessary to perform activities,  
23 and provide services, supports, and other resources in  
24 accordance with each ECFS district plan.

25 *g.* Administer and distribute federal aid received, and state  
26 appropriations, grants, and other moneys deposited into the  
27 early childhood and family services system fund.

28 *h.* Oversee, provide technical assistance to, and monitor  
29 department contractors to ensure compliance with ECFS district  
30 plans.

31 *i.* Establish and maintain data collection and management  
32 information systems to identify, collect, and analyze service  
33 outcomes and performance data to address the needs of clients,  
34 providers, the department, and ECFS system programs.

35 *j.* Collect, maintain, monitor, analyze, and utilize

1 information including but not limited to ECFS client records  
2 and programmatic, state, and national data, engage in studies  
3 and analyses, and gather relevant statistics to understand  
4 emerging needs and effectively deploy information, resources,  
5 and technical assistance in response.

6 *k.* Adopt rules pursuant to chapter 17A to administer this  
7 chapter.

8 *l.* Take any other necessary actions to execute the  
9 department's duties under this chapter or maintain compliance  
10 with federal requirements.

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

13 *a.* Cooperate with any state agency, political subdivision,  
14 or federal governmental agency to apply for grants.

15 *b.* Solicit and accept for use any gift of money, by will or  
16 otherwise, and any grant of money or services from the federal  
17 government, the state, a political subdivision of the state or  
18 federal government, or a private source.

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

21 1. The department shall establish an early childhood  
22 and family services district advisory council in each ECFS  
23 district. The department shall develop policies and procedures  
24 for the operational functions of each ECFS district advisory  
25 council.

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

30 *a.* Elected public officials who currently hold office within  
31 the ECFS district.

32 *b.* Individuals who have experience or expertise related  
33 to health, education, domestic assault response, or abuse  
34 response.

35 *c.* Individuals who are representative of the populations

1 served in the ECFS district advisory council's ECFS district.

2 *d.* Individuals who represent the faith community or  
3 community partners in the ECFS district advisory council's ECFS  
4 district.

5 3. An ECFS district advisory council shall do all of the  
6 following:

7 *a.* Identify opportunities and address challenges based  
8 on updates received from the department relating to the  
9 implementation of the ECFS district plan for the ECFS district  
10 advisory council's ECFS district.

11 *b.* Provide feedback to the department while the department  
12 is developing ECFS system policies.

13 *c.* Advise the department on how to best provide families  
14 access to primary prevention strategies, early intervention  
15 strategies, and ongoing family and community resources  
16 throughout the ECFS district advisory council's ECFS district.

17 4. An ECFS district advisory council shall perform the  
18 duties required under this section regardless of whether any  
19 seat on the ECFS district advisory council is vacant.

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

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

23 *a.* (1) Collect, maintain, monitor, analyze, and utilize  
24 data, including but not limited to child welfare data, Medicaid  
25 data, ECFS system data, and other data depicting the status of  
26 children and families in the state, as necessary to issue cost  
27 estimates for serving populations, make and receive payments,  
28 conduct operations, and perform ECFS system activities.

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

33 (3) The department shall periodically assess the status of  
34 the department's compliance with subparagraph (2) to ensure  
35 that data collected and maintained by the department under this

1 paragraph is protected.

2     *b.* To the extent possible, establish a record for each  
3 individual receiving publicly funded ECFS system services.  
4 Each record established under this paragraph shall include a  
5 unique client identifier for the purposes of identifying and  
6 tracking the individual's record.

7     *c.* Consult with department contractors and other ECFS system  
8 stakeholders on an ongoing basis relating to the administration  
9 of the ECFS system, including but not limited to reviewing  
10 trends and outcomes as indicators for improving or modifying  
11 administration of the ECFS system.

12     *d.* Engage with entities that maintain information the  
13 department is required to collect pursuant to this section to  
14 integrate data relating to individuals receiving ECFS system  
15 services.

16     *e.* Engage with entities that maintain general population  
17 data relating to the ECFS system to develop action plans,  
18 create projections relating to a population's ECFS system  
19 needs, develop ECFS system policies, and otherwise perform  
20 activities as necessary to support families in achieving a  
21 healthy, successful future.

22     2. The department shall ensure that public and private  
23 agencies, organizations, and individuals that operate within  
24 the ECFS system use uniform methods to maintain statistical  
25 information relating to ECFS system outcomes and performance.

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

28     1. The department shall establish the HOPES-HFI program  
29 to provide services to families and children during a child's  
30 prenatal through preschool years. The HOPES-HFI program shall  
31 do all of the following:

32     *a.* Promote optimal child health and development.

33     *b.* Improve family coping skills and functioning.

34     *c.* Promote positive parenting skills and intrafamilial  
35 interaction.

1 *d.* Prevent child abuse, child neglect, infant mortality, and  
2 infant morbidity.

3 2. The department shall administer the HOPES-HFI program,  
4 in whole or in part, by contracting with local organizations  
5 using evidence-based home visiting models.

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

8 1. An early childhood and family services system fund  
9 is created in the state treasury under the control of the  
10 department and consisting of any moneys appropriated to the  
11 department for the ECFS system fund's purposes by the general  
12 assembly and any other moneys available and obtained or  
13 accepted by the department for deposit in the ECFS system fund.  
14 The ECFS system fund shall be used to implement and administer  
15 the ECFS system.

16 2. Moneys in the ECFS system fund are appropriated to the  
17 department for the purposes of implementing and administering  
18 the ECFS system.

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

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

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

27 Sec. 8. REPEAL. Chapter 256I, Code 2026, is repealed.

28 Sec. 9. EFFECTIVE DATE. The following take effect July 1,  
29 2027:

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

32 2. The sections of this division of this Act repealing  
33 section 135.106 and chapter 256I.

34 Sec. 10. EFFECTIVE DATE. The section of this division of  
35 this Act enacting section 234A.6, being deemed of immediate

1 importance, takes effect upon enactment.

2 DIVISION II

3 DECATEGORIZATION INITIATIVE

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

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

20 Sec. 12. Section 237A.1, subsection 2, paragraph j,  
21 subparagraph (2), Code 2026, is amended by striking the  
22 subparagraph.

23 Sec. 13. Section 249A.26, subsection 5, Code 2026, is  
24 amended by striking the subsection.

25 Sec. 14. Section 256I.4, subsection 6, Code 2026, is amended  
26 by striking the subsection.

27 Sec. 15. REPEAL. Section 232.188, Code 2026, is repealed.

28 DIVISION III

29 CHILD ABUSE PREVENTION PROGRAM

30 Sec. 16. Section 144.13A, subsection 5, paragraph a, Code  
31 2026, is amended to read as follows:

32 a. Ten dollars of each registration fee is appropriated and  
33 shall be used for ~~primary and secondary~~ child abuse prevention  
34 programs pursuant to ~~[section 235A.1](#)~~, and ten dollars of each  
35 registration fee is appropriated and shall be used for the

1 congenital and inherited disorders central registry established  
2 pursuant to [section 136A.6](#). Notwithstanding [section 8.33](#),  
3 moneys appropriated in this paragraph that remain unencumbered  
4 or unobligated at the close of the fiscal year shall not revert  
5 but shall remain available for expenditure for the purposes  
6 designated until the close of the succeeding fiscal year, and  
7 shall not be transferred, used, obligated, appropriated, or  
8 otherwise encumbered except as provided in this paragraph.

9 Sec. 17. Section 422.12K, Code 2026, is amended to read as  
10 follows:

11 **422.12K Income tax checkoff for child abuse prevention**  
12 **~~program fund.~~**

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

27 2. The director of revenue shall draft the income tax form  
28 to allow the designation of contributions to the ~~child abuse~~  
29 ~~prevention program~~ early childhood and family services system  
30 fund on the tax return. The department of revenue, on or  
31 before January 31, shall transfer the total amount designated  
32 on the tax return forms due in the preceding calendar year to  
33 the ~~child abuse prevention program~~ early childhood and family  
34 services system fund. However, before a checkoff pursuant  
35 to [this section](#) shall be permitted, all liabilities on the

1 books of the department and accounts identified as owing under  
2 section 421.65 shall be satisfied.

3 3. The department of health and human services may authorize  
4 payment of moneys from the ~~child abuse prevention program~~ early  
5 childhood and family services system fund for the purpose  
6 of child abuse prevention in accordance with section ~~235A.2~~  
7 234A.6.

8 4. The department of revenue shall adopt rules to administer  
9 this section.

10 5. [This section](#) is subject to repeal under [section 422.12E](#).

11 Sec. 18. REPEAL. Sections 235A.1, 235A.2, and 235A.3, Code  
12 2026, are repealed.

13 Sec. 19. CHILD ABUSE PREVENTION PROGRAM FUND — TRANSFER  
14 OF MONEYS. Any unencumbered or unobligated moneys remaining  
15 in the child abuse prevention program fund created in section  
16 235A.2, on June 30, 2026, shall be transferred to the early  
17 childhood and family services system fund created in section  
18 234A.6, as enacted in this Act.

19 Sec. 20. EFFECTIVE DATE. This division of this Act, being  
20 deemed of immediate importance, takes effect upon enactment.

21 DIVISION IV

22 TRANSITION PROVISIONS

23 Sec. 21. EARLY CHILDHOOD AND FAMILY SERVICES SYSTEM.

24 1. For purposes of this division:

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

27 (1) "Department".

28 (2) "Early intervention strategies".

29 (3) "ECFS district plan".

30 (4) "ECFS state plan".

31 (5) "ECFS system".

32 (6) "ECFS system fund".

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

34 (8) "Primary prevention strategies".

35 b. "Early childhood Iowa area" and "early childhood Iowa

1 area board" mean the same as defined in section 256I.1.

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

4 d. "Transition period" means the period beginning on the  
5 date of enactment of this division of this Act and concluding  
6 on June 30, 2027.

7 2. There is created an early childhood and family services  
8 system under the control of the department. Beginning July  
9 1, 2027, the department shall be responsible for implementing  
10 and maintaining a statewide system of primary prevention  
11 strategies, early intervention strategies, and ongoing family  
12 and community resources through the ECFS system.

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

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

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

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

24 c. Prepare forms necessary to establish, implement, and  
25 administer the ECFS system.

26 d. Prepare an ECFS state plan.

27 e. Develop ECFS district plans.

28 f. Develop plans for the transition of the early childhood  
29 Iowa initiative and other early childhood and family services  
30 to the ECFS system.

31 g. Execute contracts as necessary to establish, implement,  
32 and administer the ECFS system.

33 h. Develop and implement a plan to ensure that individuals  
34 currently receiving primary prevention strategies, early  
35 intervention strategies, services, and supports or ongoing

1 family and community resources under the purview of the  
2 department, or services provided through the early childhood  
3 Iowa initiative, have uninterrupted continuity of care.

4 i. Submit a report to the general assembly no later  
5 than January 15, 2027, that details the administrative and  
6 operational costs to establish, implement, and administer the  
7 ECFS system.

8 j. Establish contractual rights, privileges, and  
9 responsibilities as necessary to establish, implement, and  
10 administer the ECFS system.

11 5. If the department determines that a federal waiver  
12 or authorization is necessary to administer any provision of  
13 this division of this Act, or to effectuate the ECFS system  
14 by the conclusion of the transition period, the department  
15 shall timely request the federal waiver or authorization.  
16 Notwithstanding any other effective date to the contrary, a  
17 provision of this division of this Act that the department  
18 determines requires a federal waiver or authorization shall be  
19 effective only upon receipt of federal approval for the waiver  
20 or authorization.

21 6. Each early childhood Iowa area board that maintains  
22 a financial account shall transfer all unencumbered and  
23 unobligated moneys remaining in the account on June 30, 2027,  
24 to the treasurer of state for deposit in the ECFS system fund.

25 7. a. All debts, claims, or other liabilities owed to  
26 an early childhood Iowa area, an early childhood Iowa area  
27 board, or to the state due to services rendered pursuant to  
28 chapter 256I, Code 2026, at the conclusion of the transition  
29 period shall remain due and owing after the transition period  
30 concludes.

31 b. After the transition period concludes, all fiscal agents  
32 contracted with an early childhood Iowa area board shall assist  
33 the department with collection of outstanding debts, claims,  
34 or other liabilities owed to an early childhood Iowa area or  
35 an early childhood Iowa area board for activities and services

1 allowed pursuant to chapter 256I provided or rendered before  
2 the transition period concluded. Reimbursement for allowable  
3 activities and services shall only be paid if accompanied by  
4 sufficient supporting documentation.

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

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

23 10. Notwithstanding section 8.33 or any other provision to  
24 the contrary, on June 30, 2027, any unobligated or unencumbered  
25 moneys in the early childhood Iowa fund and any account within  
26 the fund created pursuant to section 256I.11, shall not revert  
27 but shall be transferred and deposited into the ECFS system  
28 fund.

29 11. The department may assume the duties of the early  
30 childhood Iowa state board or an early childhood Iowa area  
31 board during the transition period as necessary to ensure  
32 compliance with chapter 256I, and to provide for uninterrupted  
33 continuity of services in early childhood Iowa areas.

34 Sec. 22. EMERGENCY RULES. The department of health and  
35 human services may adopt emergency rules under section 17A.4,

1 subsection 3, and section 17A.5, subsection 2, paragraph "b",  
2 to implement the provisions of this division of this Act and  
3 the rules shall be effective immediately upon filing unless  
4 a later date is specified in the rules. Any rules adopted  
5 in accordance with this section shall also be published as a  
6 notice of intended action as provided in section 17A.4.

7 Sec. 23. EFFECTIVE DATE. This division of this Act, being  
8 deemed of immediate importance, takes effect upon enactment.

9

DIVISION V

10

HEALTH AND HUMAN SERVICES DISTRICTS

11

Sec. 24. Section 217.1, Code 2026, is amended by adding the  
12 following new subsection:

13

NEW SUBSECTION. 4. "*Health and human services district*" or  
14 "*HHS district*" means a geographic, multicounty area designated  
15 by the department under section 217.1B for statewide program  
16 and service delivery.

17

Sec. 25. NEW SECTION. **217.1B Health and human services  
18 districts.**

19

1. The department shall divide the entirety of the state  
20 into designated health and human services districts. The  
21 initial HHS districts shall be the same as the behavioral  
22 health districts designated pursuant to section 225A.4, Code  
23 2026, and that exist on the effective date of this division  
24 of this Act. The department shall review the designated HHS  
25 districts at least once every seven consecutive fiscal years.

26

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

29

(1) City and county boundaries.

30

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

32

(3) Areas of high need for services.

33

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

35

b. Notwithstanding chapter 17A, the manner in which

1 the modification of an HHS district is made, including the  
2 determination of boundaries for a modified HHS district, shall  
3 not be subject to judicial review.

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

6 Sec. 26. CONTINGENT EFFECTIVE DATE. This division of this  
7 Act takes effect July 1, 2026, unless the sections of 2026 Iowa  
8 Acts, LSB 5558 XD, or successor legislation, amending section  
9 217.1 and enacting section 217.1B are enacted on or before July  
10 1, 2026.

11 DIVISION VI

12 CONFORMING CHANGES

13 Sec. 27. Section 232.69, subsection 1, paragraph b,  
14 subparagraph (5), Code 2026, is amended to read as follows:

15 (5) An employee or operator of a licensed child care center,  
16 registered child development home, head start program, family  
17 development and self-sufficiency grant program under section  
18 216A.107, or healthy opportunities for parents to experience  
19 success - healthy families Iowa program under section ~~135.106~~  
20 234A.5.

21 Sec. 28. Section 232.188, subsection 4, paragraph c, Code  
22 2026, is amended to read as follows:

23 c. A decategorization governance board shall coordinate  
24 the project's planning and budgeting activities with the  
25 department's designee for the county or counties comprising the  
26 project area and ~~the early childhood Iowa area board or boards~~  
27 ~~for the early childhood Iowa area or areas within which the~~  
28 ~~decategorization project is located.~~

29 Sec. 29. Section 237A.26, subsection 8, Code 2026, is  
30 amended to read as follows:

31 8. For purposes of improving the quality and consistency  
32 of data collection, consultation, and other support to child  
33 care home and child development home providers, a resource and  
34 referral services agency grantee shall coordinate and assist  
35 with publicly and privately funded efforts administered at

1 the community level to provide the support. The support and  
2 efforts addressed by a grantee may include but are not limited  
3 to community-funded child care home and child development home  
4 consultants. Community members involved with the assistance  
5 may include but are not limited to ~~the efforts of an early~~  
6 ~~childhood Iowa area board under chapter 256I,~~ and of community  
7 representatives of education, health, human services, business,  
8 faith, and public interests.

9 Sec. 30. Section 237A.30, subsection 1, Code 2026, is  
10 amended to read as follows:

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

15 Sec. 31. Section 256.163, subsection 1, paragraph e, Code  
16 2026, is amended by striking the paragraph.

17 Sec. 32. Section 256A.3, Code 2026, is amended by adding the  
18 following new subsection:

19 NEW SUBSECTION. 9. Serve as the state advisory council  
20 required under the federal Improving Head Start for School  
21 Readiness Act of 2007, Pub. L. No. 110-134. For purposes of  
22 the federal Improving Head Start for School Readiness Act of  
23 2007, enactment of this subsection shall be considered the  
24 governor's designation of the child development coordinating  
25 council as the state advisory council.

26 Sec. 33. Section 256C.3, subsection 4, paragraph a, Code  
27 2026, is amended to read as follows:

28 a. Methods of demonstrating community readiness to  
29 implement high-quality instruction in a local program  
30 shall be identified. The potential provider shall submit  
31 a collaborative program proposal that demonstrates the  
32 involvement of multiple community stakeholders including  
33 but not limited to, and only as applicable, parents, the  
34 school district, accredited nonpublic schools and faith-based  
35 representatives, the area education agency, ~~the early childhood~~

1 ~~Iowa area board~~, representatives of business, head start  
2 programs, shared visions and other programs provided under  
3 the auspices of the child development coordinating council,  
4 center-based and home-based providers of child care services,  
5 human services, public health, and economic development  
6 programs. The methods may include but are not limited to a  
7 school district providing evidence of a public hearing on the  
8 proposed programming and written documentation of collaboration  
9 agreements between the school district, existing community  
10 providers, and other community stakeholders addressing  
11 operational procedures and other critical measures.

12 Sec. 34. Section 256C.4, subsection 2, paragraph b, Code  
13 2026, is amended to read as follows:

14 b. The enrollment count of eligible students shall not  
15 include a child who is included in the enrollment count  
16 determined under [section 257.6](#) or a child who is served by  
17 a program already receiving state or federal funds for the  
18 purpose of the provision of four-year-old preschool programming  
19 while the child is being served by the program. Such preschool  
20 programming includes but is not limited to child development  
21 assistance programs provided under [chapter 256A](#), special  
22 education programs provided under [section 256B.9](#), ~~school ready~~  
23 ~~children grant programs and other programs provided under~~  
24 ~~chapter 256I~~, and federal head start programs and the services  
25 funded by Tit. I of the federal Elementary and Secondary  
26 Education Act of 1965.

27 Sec. 35. Section 915.35, subsection 4, paragraph b, Code  
28 2026, is amended to read as follows:

29 b. A child protection assistance team may ~~also~~ consult  
30 with or include juvenile court officers, medical and mental  
31 health professionals, physicians or other hospital-based  
32 health professionals, court appointed special advocates,  
33 guardians ad litem, and members of a multidisciplinary team  
34 created by the department of health and human services for  
35 child abuse assessments. A child protection assistance team

1 may work cooperatively with ~~the early childhood Iowa area~~  
2 ~~board established under chapter 256I~~ an ECFS district advisory  
3 council established under section 234A.3. The child protection  
4 assistance team shall work with the department of health and  
5 human services in accordance with section 232.71B, subsection  
6 3, in developing the protocols for prioritizing the actions  
7 taken in response to child abuse assessments and for law  
8 enforcement agencies working jointly with the department at  
9 the local level in processes for child abuse assessments. The  
10 department of justice may provide training and other assistance  
11 to support the activities of a child protection assistance  
12 team.

13 Sec. 36. EFFECTIVE DATE. This division of this Act takes  
14 effect July 1, 2027.

15 DIVISION VII

16 CHILD CARE WORKFORCE — STATE CHILD CARE ASSISTANCE ELIGIBILITY

17 Sec. 37. NEW SECTION. **237A.15 State child care assistance**  
18 **— child care workforce eligibility.**

19 1. Notwithstanding any provision of section 237A.13 or  
20 237A.14 to the contrary, a child shall be eligible for the  
21 state child care assistance program established in section  
22 237A.13 and the state child care assistance graduated  
23 eligibility phase-out program established in section 237A.14 if  
24 a parent, guardian, or custodian of the child meets all of the  
25 following requirements, as applicable:

26 a. The parent, guardian, or custodian is employed in this  
27 state at a child care facility or child care home that has an  
28 agreement with the department to accept reimbursements from the  
29 state child care assistance program.

30 b. The parent, guardian, or custodian works an average  
31 minimum of thirty-two hours per week. A portion of the hours  
32 worked, as specified by the department, must be in a position  
33 with a primary duty of providing child care directly to  
34 children, and the parent's, guardian's, or custodian's position  
35 must be regularly counted in the minimum child-to-staff ratio

1 established by the department.

2 *c.* (1) If the parent, guardian, or custodian is employed  
3 at a child care home or a child development home, the parent,  
4 guardian, or custodian does not provide child care to the  
5 parent's, guardian's, or custodian's own child.

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

10 *d.* The parent, guardian, or custodian is not a substitute or  
11 an assistant at a child care home or a child development home.

12 *e.* Based on the department's evaluation of the parent's,  
13 guardian's, or custodian's application for state child care  
14 assistance, the department has determined the parent, guardian,  
15 or custodian has a need for child care.

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

19 2. A child of a director, co-director, or other  
20 administrative staff member of a child care facility may  
21 qualify for state child care assistance under subsection 1  
22 if the director, co-director, or other administrative staff  
23 member is regularly counted in the minimum child-to-staff ratio  
24 established by the department by rule.

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

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

31 Sec. 38. EMERGENCY RULES. The department of health and  
32 human services may adopt emergency rules under section 17A.4,  
33 subsection 3, and section 17A.5, subsection 2, paragraph "b",  
34 to implement the provisions of this division of this Act and  
35 the rules shall be effective immediately upon filing unless

1 a later date is specified in the rules. Any rules adopted  
2 in accordance with this section shall also be published as a  
3 notice of intended action as provided in section 17A.4.

4 Sec. 39. EFFECTIVE DATE. This division of this Act, being  
5 deemed of immediate importance, takes effect upon enactment.

6 DIVISION VIII

7 CODE EDITOR DIRECTIVES

8 Sec. 40. CODE EDITOR DIRECTIVES. The Code editor is  
9 directed to do all of the following:

10 1. Make changes in any Code sections amended or enacted  
11 by any other Act to correspond with the changes made in this  
12 Act if there appears to be no doubt as to the proper method of  
13 making the changes and the changes would not be contrary to or  
14 inconsistent with the purposes of this Act or any other Act.

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

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 relates to early childhood and family services,  
21 including creation of an early childhood and family services  
22 (ECFS) system and child care workforce eligibility for state  
23 child care assistance (CCA).

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

30 The ECFS system is established under the control of  
31 the department of health and human services (HHS) and  
32 ECFS districts (districts) are established for statewide  
33 implementation of primary prevention strategies and early  
34 intervention strategies for families and their children under  
35 19 years of age, with an emphasis on children under 6 years of

1 age. The ECFS system must be administered in a manner that  
2 maximizes funding opportunities, interagency collaboration,  
3 public-private partnerships, and the integration of the early  
4 care, education, and health and human services systems.

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

8 The bill directs HHS to establish an ECFS district advisory  
9 council (council) in each district, and develop policies and  
10 procedures for the operational functions of the councils. A  
11 council shall consist of 10 members appointed by HHS. The bill  
12 specifies individuals who are eligible for appointment, and the  
13 duties of a council.

14 The bill specifies the duties of HHS related to data  
15 collection and use for the ECFS system. The bill requires  
16 HHS to maintain compliance with applicable federal and state  
17 privacy laws to ensure the confidentiality and integrity of  
18 individually identifiable data related to the ECFS system  
19 collected by HHS.

20 Current Code section 135.106 (healthy opportunities  
21 for parents to experience success – healthy families Iowa  
22 (HOPES-HFI)) is placed in the new Code chapter and becomes part  
23 of the ECFS system. The bill specifies the requirements for  
24 the HOPES-HFI program and directs HHS to develop and administer  
25 the HOPES-HFI program, in whole or in part, by contracting  
26 with local organizations that use evidence-based home visiting  
27 models.

28 The bill establishes an ECFS system fund (ECFS fund)  
29 consisting of moneys appropriated to HHS for the ECFS fund's  
30 purposes by the general assembly and any other moneys available  
31 and obtained or accepted by HHS for deposit in the ECFS  
32 fund. Moneys in the ECFS fund are appropriated to HHS for the  
33 purposes of implementing and administering the ECFS system.  
34 Moneys appropriated that remain unencumbered or unobligated at  
35 the close of a fiscal year shall not revert to the general fund

1 of the state, and interest or earnings on moneys in the fund  
2 shall be credited to the ECFS fund.

3 The bill repeals Code chapter 256I (early childhood Iowa  
4 initiative).

5 The section of the division that establishes the ECFS  
6 fund takes effect upon enactment. All other sections in the  
7 division take effect July 1, 2027.

8 DIVISION II — DECATEGORIZATION INITIATIVE. The bill  
9 eliminates the decategorization initiative.

10 DIVISION III — CHILD ABUSE PREVENTION PROGRAM. The  
11 bill eliminates the child abuse prevention program, fund,  
12 and advisory committee. A taxpayer may still receive a  
13 nonrefundable reduction in the taxpayer's income taxes for  
14 contributing one or more dollars to child abuse prevention,  
15 but the moneys received will be administered through the ECFS  
16 system instead of the child abuse prevention program fund.  
17 Funding for child abuse prevention and moneys in the current  
18 child abuse prevention fund are directed to the ECFS fund to be  
19 used by HHS for child abuse prevention.

20 This division of the bill takes effect upon enactment.

21 DIVISION IV — TRANSITION PROVISIONS. The bill defines  
22 terms used in the division, including "transition period",  
23 which means the period beginning on the date of enactment of  
24 the division and concluding on June 30, 2027.

25 The bill allows HHS to exercise all policymaking functions  
26 and regulatory powers as necessary to establish the ECFS system  
27 during the transition period.

28 The bill requires HHS to execute contracts as necessary to  
29 establish, implement, and administer the ECFS system; adopt  
30 necessary administrative rules; establish necessary policies  
31 and prepare necessary forms; prepare an ECFS state plan and  
32 develop ECFS district plans; develop plans for the transition  
33 of the early childhood Iowa initiative (initiative) and other  
34 early childhood and family services to the ECFS system; develop  
35 and implement a plan to ensure that individuals currently

1 receiving ECFS system-related services under the purview of HHS  
2 or services provided through the initiative have uninterrupted  
3 continuity of care; and submit a report to the general assembly  
4 no later than January 15, 2027, that details the administrative  
5 and operational costs to establish, implement, and administer  
6 the ECFS system.

7 The bill requires HHS to request any federal waivers or  
8 authorizations (waivers) necessary to implement the ECFS  
9 system. Notwithstanding other effective dates stated in the  
10 bill, any provision of the bill HHS determines necessitates a  
11 waiver is effective upon receipt of the federal approval of the  
12 waiver.

13 The bill requires each early childhood Iowa area board (area  
14 board) that maintains a financial account to transfer all  
15 unencumbered and unobligated moneys remaining in the account  
16 on June 30, 2027, to the treasurer of state for deposit in the  
17 ECFS fund.

18 The bill provides that all debts, claims, or other  
19 liabilities owed to an early childhood Iowa area (area), area  
20 board, or the state due to services rendered pursuant to Code  
21 chapter 256I at the conclusion of the transition period shall  
22 remain due and owing after the transition period concludes.  
23 After the transition period concludes, all fiscal agents  
24 contracted with an area board shall assist HHS in collecting  
25 outstanding debts, claims, or other liabilities owed to the  
26 areas or area boards for allowable activities and services  
27 that were provided or rendered before the transition period  
28 concluded. Reimbursement for allowable activities and services  
29 shall only be paid if accompanied by sufficient supporting  
30 documentation.

31 With input from appropriate stakeholders, the bill requires  
32 HHS to identify each contract that will be impacted by the  
33 provisions relating to the ECFS system and the initiative. On  
34 or before June 30, 2027, each party to a contract identified  
35 by HHS shall exercise the option, if available pursuant to the

1 terms of the contract, to terminate the contract. Contracts  
2 that do not provide for termination shall not be renewed or  
3 extended at the end of the current contract term.

4 An area board, an area director, or any agent of an area or  
5 area board, and any subdivision of the state, shall not enter  
6 into, renew, or extend a contract related to the initiative  
7 or related activities if the term period of the contract  
8 would extend, or the deliverables under the contract would be  
9 provided, beyond June 30, 2027.

10 The bill provides that any unobligated or unencumbered  
11 moneys remaining on June 30, 2027, in the early childhood Iowa  
12 fund, and any account within the fund created pursuant to Code  
13 section 256I.11, shall not revert but shall be transferred to  
14 and deposited in the ECFS fund.

15 The bill provides HHS with emergency rulemaking authority  
16 during the transition period.

17 This division of the bill takes effect upon enactment.

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

29 This division of the bill is effective July 1, 2026, unless  
30 the sections of 2026 Iowa Acts, LSB 5558 XD, amending Code  
31 section 217.1 and enacting Code section 217.1B are enacted on  
32 or before July 1, 2026.

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

35 DIVISION VII — CHILD CARE WORKFORCE — STATE CHILD CARE

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

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

21 DIVISION VIII — CODE EDITOR DIRECTIVES. The bill provides  
22 Code editor directives.