

**House Study Bill 694 - Introduced**

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED GOVERNOR BILL)

**A BILL FOR**

1 An Act relating to health-related matters, including  
2 health-related professions, nutrition, medication, and  
3 taxes on certain products, and including effective date and  
4 applicability provisions.

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

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DIVISION I

CONTINUING EDUCATION REQUIREMENTS — NUTRITION AND METABOLIC HEALTH

Section 1. Section 148.3, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION. 5. The board shall adopt rules pursuant to chapter 17A requiring a licensee practicing family medicine, internal medicine, pediatrics, psychiatry, endocrinology, gastroenterology, cardiology, oncology, rheumatology, neurology, nephrology, dermatology, pulmonology, surgery, immunology, hematology, obstetrics, or gynecology to complete a minimum of one hour of continuing education on nutrition and metabolic health every four years as a condition of license renewal.

Sec. 2. Section 148C.3, subsection 1, paragraph c, Code 2026, is amended to read as follows:

c. Hours of continuing medical education necessary to become or remain licensed. The board shall adopt rules pursuant to chapter 17A requiring a licensee practicing family medicine, internal medicine, pediatrics, psychiatry, endocrinology, gastroenterology, cardiology, oncology, rheumatology, neurology, nephrology, dermatology, pulmonology, surgery, immunology, hematology, obstetrics, or gynecology to complete a minimum of one hour of continuing education on nutrition and metabolic health every four years as a condition of license renewal.

DIVISION II

CERTIFICATE OF NEED

Sec. 3. Section 135.61, subsection 16, paragraphs e, g, i, and k, Code 2026, are amended by striking the paragraphs.

Sec. 4. Section 135.61, subsection 16, paragraph m, subparagraphs (2) and (3), Code 2026, are amended by striking the subparagraphs.

Sec. 5. Section 135.62, subsection 2, paragraph a, Code 2026, is amended to read as follows:

1     *a.* Private offices and private clinics of an individual  
2 physician, dentist, or other practitioner or group of  
3 health care providers, except as provided by section 135.61,  
4 subsection 16, paragraphs ~~"g"~~, ~~"h"~~ and ~~"m"~~, and section 135.61,  
5 subsections 2 and 18.

6     Sec. 6. Section 135.62, subsection 2, paragraph e,  
7 subparagraph (2), Code 2026, is amended to read as follows:

8         (2) Acquires major medical equipment as provided by section  
9 135.61, subsection 16, ~~paragraphs "i" and~~ paragraph "j".

10     Sec. 7. Section 135.62, subsection 2, paragraph g,  
11 subparagraph (1), unnumbered paragraph 1, Code 2026, is amended  
12 to read as follows:

13     A reduction in bed capacity of an institutional health  
14 facility, notwithstanding any provision in [this subchapter](#) to  
15 the contrary, except where a provision expressly exempts such a  
16 reduction, if all of the following conditions exist:

17     Sec. 8. Section 135.62, subsection 2, paragraph k,  
18 subparagraph (1), unnumbered paragraph 1, Code 2026, is amended  
19 to read as follows:

20     The redistribution of beds by a hospital within the acute  
21 care category of bed usage, notwithstanding any provision in  
22 this subchapter to the contrary, except where a provision  
23 expressly exempts such a redistribution of skilled nursing  
24 facility or swing beds by a hospital, if all of the following  
25 conditions exist:

26     Sec. 9. Section 135.62, subsection 2, paragraph p, Code  
27 2026, is amended by striking the paragraph.

28     Sec. 10. Section 135.62, subsection 2, Code 2026, is amended  
29 by adding the following new paragraphs:

30     NEW PARAGRAPH. *r.* An outpatient facility that provides  
31 behavioral health services, as defined by rule by the  
32 department, to individuals on an outpatient basis, including  
33 but not limited to substitution-based treatment centers for  
34 opiate addiction.

35     NEW PARAGRAPH. *s.* Open heart surgical services.

1 NEW PARAGRAPH. *t.* Organ transplantation services.

2 NEW PARAGRAPH. *u.* Notwithstanding any provision of this  
3 subchapter to the contrary, any acquisition whether acquired  
4 by purchase, lease, or donation by or on behalf of a health  
5 care provider or a group of health care providers of any piece  
6 of replacement equipment with a value in excess of one million  
7 five hundred thousand dollars.

8 NEW PARAGRAPH. *v.* Notwithstanding any provision of  
9 this subchapter to the contrary, any acquisition whether  
10 acquired by purchase, lease, or donation by or on behalf of  
11 an institutional health facility or a health maintenance  
12 organization of any piece of replacement equipment with a value  
13 in excess of one million five hundred thousand dollars.

14 NEW PARAGRAPH. *w.* Any air transportation service for  
15 transportation of patients or medical personnel offered through  
16 an institutional health facility.

17 NEW PARAGRAPH. *x.* Notwithstanding any provision of  
18 this subchapter to the contrary, bed capacity changes by an  
19 institutional health facility that constitute a permanent  
20 change or reduction in, or a redistribution, deletion, or  
21 conversion of, nursing facility beds, skilled nursing facility  
22 beds, or swing beds.

23 NEW PARAGRAPH. *y.* Notwithstanding any provision of  
24 this subchapter to the contrary, bed capacity changes  
25 that constitute a permanent change or reduction in, or  
26 a redistribution, deletion, or conversion of, beds in  
27 intermediate care facilities for persons with mental  
28 illness, or intermediate care facilities for persons with an  
29 intellectual disability.

30 Sec. 11. Section 135.62, subsection 4, Code 2026, is amended  
31 to read as follows:

32 4. The department shall not process applications for an  
33 intermediate care facility for persons with an intellectual  
34 disability, or consider a new or changed institutional health  
35 service for an intermediate care facility for persons with

1 an intellectual disability, unless ~~both of the following~~  
2 ~~conditions are met:~~

3 ~~a. The new or changed beds shall not result in an~~  
4 ~~increase in the total number of medical assistance certified~~  
5 ~~intermediate care facility beds for persons with an~~  
6 ~~intellectual disability in the state, exclusive of those beds~~  
7 ~~at the state resource centers or other state institutions,~~  
8 ~~beyond one thousand six hundred thirty six beds.~~

9 ~~b. A~~ a letter of support for the application is provided by  
10 the county board of supervisors, or the board's designee, in  
11 the county in which the beds facility is or would be located.

12 Sec. 12. Section 135.65, subsection 3, paragraph b, Code  
13 2026, is amended to read as follows:

14 b. A period for the submission of written public hearing  
15 comments from affected persons on the application, to be held  
16 scheduled prior to completion of the evaluation required by  
17 paragraph "a".

18 Sec. 13. Section 135.65, subsection 4, Code 2026, is amended  
19 by striking the subsection.

20 Sec. 14. Section 135.70, subsection 2, Code 2026, is amended  
21 to read as follows:

22 2. Upon expiration of a certificate of need, and prior to  
23 extension of the certificate of need, any affected person shall  
24 have the right to submit to the department information which  
25 may be relevant to the question of granting an extension. ~~The~~  
26 ~~department may call a public hearing for this purpose.~~

27 DIVISION III

28 SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM — SUMMER ELECTRONIC  
29 BENEFITS TRANSFER FOR CHILDREN PROGRAM

30 Sec. 15. Section 234.1, Code 2026, is amended by adding the  
31 following new subsection:

32 NEW SUBSECTION. 4A. *"Summer electronic benefits transfer*  
33 *for children program"* or *"summer EBT program"* means the summer  
34 electronic benefits transfer for children program established  
35 in 42 U.S.C. §1762.



1 district, if the charter school provides a breakfast or lunch  
2 program through the national school lunch program or the school  
3 breakfast program administered by the food and nutrition  
4 service of the United States department of agriculture.

5 Sec. 19. Section 256F.4, subsection 2, Code 2026, is amended  
6 by adding the following new paragraph:

7 NEW PARAGRAPH. *v.* Be subject to and comply with the  
8 requirements of section 283A.6 relating to the preparation of  
9 meals provided to students, and prohibited ingredients in meals  
10 provided to students, in the same manner as a school district,  
11 if the charter school or innovation zone school provides a  
12 breakfast or lunch program.

13 Sec. 20. NEW SECTION. **283A.6 School district breakfast**  
14 **and lunch programs — food and beverages provided to students —**  
15 **prohibited ingredients.**

16 1. *a.* A school district shall not serve a meal to students  
17 as part of the school district's breakfast or lunch program  
18 that contains any of the following ingredients:

- 19 (1) Blue dye 1.
- 20 (2) Blue dye 2.
- 21 (3) Green dye 3.
- 22 (4) Potassium bromate.
- 23 (5) Propylparaben.
- 24 (6) Red dye 40.
- 25 (7) Yellow dye 5.
- 26 (8) Yellow dye 6.

27 *b.* Paragraph "*a*" does not apply to food and beverages  
28 received as part of a direct delivery from the foods in schools  
29 program of the United States department of agriculture.

30 2. An employee or contracted vendor of a school district  
31 shall not provide any food or beverages that contain an  
32 ingredient described in subsection 1 to a student enrolled in  
33 the school district during the school day.

34 3. A school district shall not permit the sale to students  
35 of any foods or beverages that contain an ingredient described

1 in subsection 1 on the school campus, as school campus is  
2 defined in 7 C.F.R. §210.11 as of January 1, 2026, unless the  
3 sale takes place outside of the school day, as school day is  
4 defined in 7 C.F.R. §210.11 as of January 1, 2026.

5 Sec. 21. Section 283A.10, Code 2026, is amended to read as  
6 follows:

7 **283A.10 School breakfast or lunch in nonpublic schools.**

8 The authorities in charge of nonpublic schools may operate  
9 or provide for the operation of school breakfast or lunch  
10 programs in schools under their jurisdiction and may use funds  
11 appropriated to them by the general assembly, gifts, funds  
12 received from sale of school breakfasts or lunches under such  
13 programs, and any other funds available to the nonpublic  
14 school. However, school breakfast or lunch programs shall not  
15 be required in nonpublic schools. The department of education  
16 shall direct the disbursement of state funds to nonpublic  
17 schools for school breakfast or lunch programs in the same  
18 manner as state funds are disbursed to public schools. If  
19 a nonpublic school receives state funds for the operation of  
20 a school breakfast or lunch program, meals served under the  
21 program shall be nutritionally adequate meals, as defined in  
22 section 283A.1, and shall comply with the requirements of  
23 section 283A.6.

24 Sec. 22. APPLICABILITY. This division of this Act applies  
25 to school years beginning on or after July 1, 2027.

26 DIVISION VI

27 PSYCHOLOGY INTERJURISDICTIONAL COMPACT

28 Sec. 23. NEW SECTION. 147M.1 **Psychology interjurisdictional**  
29 **compact.**

30 The psychology interjurisdictional compact is enacted into  
31 law and entered into by this state with all states legally  
32 joining in the compact in the form substantially as follows:

33 1. *Article I — Purpose.*

34 a. The party states find that:

35 (1) States license psychologists, in order to protect

1 the public through verification of education, training,  
2 and experience, and ensure accountability for professional  
3 practice.

4 (2) This compact is intended to regulate the day-to-day  
5 practice of telepsychology, in which psychological services are  
6 provided using telecommunication technologies, by psychologists  
7 across state boundaries in the performance of their  
8 psychological practice as assigned by an appropriate authority.

9 (3) This compact is intended to regulate the temporary  
10 in-person, face-to-face practice of psychology by psychologists  
11 across state boundaries for thirty days within a calendar year  
12 in the performance of their psychological practice as assigned  
13 by an appropriate authority.

14 (4) This compact is intended to authorize state psychology  
15 regulatory authorities to afford legal recognition, in a manner  
16 consistent with the terms of the compact, to psychologists  
17 licensed in another state.

18 (5) This compact recognizes that states have a vested  
19 interest in protecting the public's health and safety through  
20 their licensing and regulation of psychologists and that such  
21 state regulation will best protect public health and safety.

22 (6) This compact does not apply when a psychologist is  
23 licensed in both the home and receiving states.

24 (7) This compact does not apply to permanent in-person,  
25 face-to-face practice, but it does allow for authorization of  
26 temporary psychological practice.

27 *b.* Consistent with these principles, this compact is  
28 designed to achieve the following purposes and objectives:

29 (1) Increase public access to professional psychological  
30 services by allowing for telepsychological practice across  
31 state lines as well as temporary in-person, face-to-face  
32 services into a state in which the psychologist is not licensed  
33 to practice psychology.

34 (2) Enhance the states' ability to protect the public's  
35 health and safety, especially client-patient safety.

1 (3) Encourage the cooperation of compact states in the areas  
2 of psychology licensure and regulation.

3 (4) Facilitate the exchange of information between compact  
4 states regarding psychologist licensure, adverse actions, and  
5 disciplinary history.

6 (5) Promote compliance with the laws governing  
7 psychological practice in each compact state.

8 (6) Invest all compact states with the authority to  
9 hold licensed psychologists accountable through the mutual  
10 recognition of compact state licenses.

11 2. *Article II — Definitions.*

12 a. *"Adverse action"* means any action taken by a state  
13 psychology regulatory authority which finds a violation  
14 of a statute or regulation that is identified by the state  
15 psychology regulatory authority as discipline and is a matter  
16 of public record.

17 b. *"Association of state and provincial psychology boards"*  
18 means the recognized membership organization composed of state  
19 and provincial psychology regulatory authorities responsible  
20 for the licensure and registration of psychologists throughout  
21 the United States and Canada.

22 c. *"Authority to practice interjurisdictional telepsychology"*  
23 means a licensed psychologist's authority to practice  
24 telepsychology, within the limits authorized under this  
25 compact, in another compact state.

26 d. *"Bylaws"* means those bylaws established by the psychology  
27 interjurisdictional compact commission pursuant to article  
28 X for its governance, or for directing and controlling its  
29 actions and conduct.

30 e. *"Client-patient"* means the recipient of psychological  
31 services, whether psychological services are delivered in the  
32 context of health care, corporate, supervision, or consulting  
33 services.

34 f. *"Commissioner"* means the voting representative appointed  
35 by each state psychology regulatory authority pursuant to

1 article X.

2 *g. "Compact state"* means a state, the District of Columbia,  
3 or United States territory that has enacted this compact  
4 legislation and which has not withdrawn pursuant to article  
5 XIII, or been terminated pursuant to article XII.

6 *h. "Confidentiality"* means the principle that data or  
7 information is not made available or disclosed to unauthorized  
8 persons or processes.

9 *i. "Coordinated licensure information system" or "coordinated*  
10 *database"* means an integrated process for collecting, storing,  
11 and sharing information on psychologists' licensure and  
12 enforcement activities related to psychology licensure laws,  
13 which is administered by the recognized membership organization  
14 composed of state and provincial psychology regulatory  
15 authorities.

16 *j. "Day"* means any part of a day in which psychological work  
17 is performed.

18 *k. "Distant state"* means the compact state where a  
19 psychologist is physically present, not through the use  
20 of telecommunications technologies, to provide temporary  
21 in-person, face-to-face psychological services.

22 *l. "E.Passport"* means a certificate issued by the  
23 association of state and provincial psychology boards  
24 that promotes the standardization in the criteria of  
25 interjurisdictional telepsychology practice and facilitates the  
26 process for licensed psychologists to provide telepsychological  
27 services across state lines.

28 *m. "Executive board"* means a group of directors elected or  
29 appointed to act on behalf of, and within the powers granted to  
30 them by, the commission.

31 *n. "Home state"* means a compact state where a psychologist  
32 is licensed to practice psychology. If the psychologist is  
33 licensed in more than one compact state and is practicing  
34 under the authorization to practice interjurisdictional  
35 telepsychology, the home state is the compact state where the

1 psychologist is physically present when the telepsychological  
2 services are delivered. If the psychologist is licensed  
3 in more than one compact state and is practicing under the  
4 temporary authorization to practice, the home state is any  
5 compact state where the psychologist is licensed.

6 *o. "Identity history summary"* means a summary of information  
7 retained by the federal bureau of investigation (FBI), or other  
8 designee with similar authority, in connection with arrests  
9 and, in some instances, federal employment, naturalization, or  
10 military service.

11 *p. "In-person, face-to-face"* means interactions in which the  
12 psychologist and the client-patient are in the same physical  
13 space and which does not include interactions that may occur  
14 through the use of telecommunication technologies.

15 *q. "Interjurisdictional practice certificate" or "IPC"*  
16 means a certificate issued by the association of state and  
17 provincial psychology boards that grants temporary authority  
18 to practice based on notification to the state psychology  
19 regulatory authority of intention to practice temporarily, and  
20 verification of one's qualifications for such practice.

21 *r. "License"* means authorization by a state psychology  
22 regulatory authority to engage in the independent practice of  
23 psychology, which would be unlawful without the authorization.

24 *s. "Noncompact state"* means any state which is not at the  
25 time a compact state.

26 *t. "Psychologist"* means an individual licensed for the  
27 independent practice of psychology.

28 *u. "Psychology interjurisdictional compact commission" or*  
29 *"commission"* means the national administration of which all  
30 compact states are members.

31 *v. "Receiving state"* means a compact state where the  
32 client-patient is physically located when the telepsychological  
33 services are delivered.

34 *w. "Rule"* means a written statement by the psychology  
35 interjurisdictional compact commission promulgated pursuant

1 to article XI that is of general applicability, implements,  
2 interprets, or prescribes a policy or provision of this  
3 compact, or an organizational, procedural, or practice  
4 requirement of the commission and has the force and effect of  
5 statutory law in a compact state, and includes the amendment,  
6 repeal, or suspension of an existing rule.

7 *x. "Significant investigatory information"* means any of the  
8 following:

9 (1) Investigative information that a state psychology  
10 regulatory authority, after a preliminary inquiry that includes  
11 notification and an opportunity to respond if required by state  
12 law, has reason to believe, if proven true, would indicate more  
13 than a violation of state statute or ethics code that would be  
14 considered more substantial than a minor infraction.

15 (2) Investigative information that indicates that the  
16 psychologist represents an immediate threat to public health  
17 and safety regardless of whether the psychologist has been  
18 notified or had an opportunity to respond.

19 *y. "State"* means a state, commonwealth, territory, or  
20 possession of the United States, or the District of Columbia.

21 *z. "State psychology regulatory authority"* means the board,  
22 office, or other agency with the legislative mandate to license  
23 and regulate the practice of psychology.

24 *aa. "Telepsychology"* means the provision of psychological  
25 services using telecommunication technologies.

26 *ab. "Temporary authorization to practice"* means a licensed  
27 psychologist's authority to conduct temporary in-person,  
28 face-to-face practice, within the limits authorized under this  
29 compact, in another compact state.

30 *ac. "Temporary in-person, face-to-face practice"* means where  
31 a psychologist is physically present, not through the use  
32 of telecommunications technologies, in the distant state to  
33 provide for the practice of psychology for thirty days within a  
34 calendar year and based on notification to the distant state.

35 3. *Article III — Home state licensure.*

1     *a.* The home state shall be a compact state where a  
2 psychologist is licensed to practice psychology.

3     *b.* A psychologist may hold one or more compact state  
4 licenses at a time. If the psychologist is licensed in more  
5 than one compact state, the home state is the compact state  
6 where the psychologist is physically present when the services  
7 are delivered as authorized by the authority to practice  
8 interjurisdictional telepsychology under the terms of this  
9 compact.

10    *c.* Any compact state may require a psychologist not  
11 previously licensed in a compact state to obtain and retain  
12 a license to be authorized to practice in the compact state  
13 under circumstances not authorized by the authority to practice  
14 interjurisdictional telepsychology under the terms of this  
15 compact.

16    *d.* Any compact state may require a psychologist to obtain  
17 and retain a license to be authorized to practice in a  
18 compact state under circumstances not authorized by temporary  
19 authorization to practice under the terms of this compact.

20    *e.* A home state's license authorizes a psychologist to  
21 practice in a receiving state under the authority to practice  
22 interjurisdictional telepsychology only if the compact state  
23 meets all of the following requirements:

24     (1) Currently requires the psychologist to hold an active  
25 E.Passport.

26     (2) Has a mechanism in place for receiving and investigating  
27 complaints about licensed individuals.

28     (3) Notifies the commission, in compliance with the terms  
29 herein, of any adverse action or significant investigatory  
30 information regarding a licensed individual.

31     (4) Requires an identity history summary of all applicants  
32 at initial licensure, including the use of the results of  
33 fingerprints or other biometric data checks compliant with the  
34 requirements of the federal bureau of investigation (FBI), or  
35 other designee with similar authority, no later than ten years

1 after activation of the this compact.

2 (5) Complies with the bylaws and rules of the commission.

3 *f.* A home state's license grants temporary authorization  
4 to practice to a psychologist in a distant state only if the  
5 compact state meets all of the following requirements:

6 (1) Currently requires the psychologist to hold an active  
7 IPC.

8 (2) Has a mechanism in place for receiving and investigating  
9 complaints about licensed individuals.

10 (3) Notifies the commission, in compliance with the terms  
11 herein, of any adverse action or significant investigatory  
12 information regarding a licensed individual.

13 (4) Requires an identity history summary of all applicants  
14 at initial licensure, including the use of the results of  
15 fingerprints or other biometric data checks compliant with the  
16 requirements of the federal bureau of investigation (FBI), or  
17 other designee with similar authority, no later than ten years  
18 after activation of this compact.

19 (5) Complies with the bylaws and rules of the commission.

20 4. *Article IV — Compact privilege to practice*  
21 *telepsychology.*

22 *a.* Compact states shall recognize the right of a  
23 psychologist, licensed in a compact state in conformance with  
24 article III, to practice telepsychology in receiving states in  
25 which the psychologist is not licensed, under the authority to  
26 practice interjurisdictional telepsychology as provided in this  
27 compact.

28 *b.* To exercise the authority to practice interjurisdictional  
29 telepsychology under the terms and provisions of this compact,  
30 a psychologist licensed to practice in a compact state shall  
31 meet all of the following requirements:

32 (1) Hold a graduate degree in psychology from an institution  
33 of higher education that was either of the following, at the  
34 time the degree was awarded:

35 (a) Regionally accredited by an accrediting body recognized

1 by the United States department of education to grant graduate  
2 degrees, or authorized by provincial statute or royal charter  
3 to grant doctoral degrees.

4 (b) A foreign college or university deemed to be equivalent  
5 to subparagraph (1), subparagraph division (a), by a foreign  
6 credential evaluation service that is a member of the national  
7 association of credential evaluation services or by a  
8 recognized foreign credential evaluation service.

9 (2) Hold a graduate degree in psychology that meets all of  
10 the following criteria:

11 (a) The program, wherever it may be administratively  
12 housed, must be clearly identified and labeled as a  
13 psychology program. Such a program must specify in pertinent  
14 institutional catalogues and brochures its intent to educate  
15 and train professional psychologists.

16 (b) The psychology program must stand as a recognizable,  
17 coherent, organizational entity within the institution.

18 (c) There must be a clear authority and primary  
19 responsibility for the core and specialty areas whether or not  
20 the program cuts across administrative lines.

21 (d) The program must consist of an integrated, organized  
22 sequence of study.

23 (e) There must be an identifiable psychology  
24 faculty sufficient in size and breadth to carry out its  
25 responsibilities.

26 (f) The designated director of the program must be a  
27 psychologist and a member of the core faculty.

28 (g) The program must have an identifiable body of students  
29 who are matriculated in that program for a degree.

30 (h) The program must include supervised practicum,  
31 internship, or field training appropriate to the practice of  
32 psychology.

33 (i) The curriculum shall encompass a minimum of three  
34 academic years of full-time graduate study for doctoral degrees  
35 and a minimum of one academic year of full-time graduate study

1 for master's degrees.

2 (j) The program includes an acceptable residency as defined  
3 by the rules of the commission.

4 (3) Possess a current, full, and unrestricted license to  
5 practice psychology in a home state which is a compact state.

6 (4) Have no history of adverse action that violates the  
7 rules of the commission.

8 (5) Have no criminal record history reported on an identity  
9 history summary that violates the rules of the commission.

10 (6) Possess a current, active E.Passport.

11 (7) Provide attestations in regard to areas of intended  
12 practice, conformity with standards of practice, competence in  
13 telepsychology technology; criminal background; and knowledge  
14 and adherence to legal requirements in the home and receiving  
15 states, and provide a release of information to allow for  
16 primary source verification in a manner specified by the  
17 commission.

18 (8) Meet other criteria as defined by the rules of the  
19 commission.

20 *c.* The home state maintains authority over the license of  
21 any psychologist practicing into a receiving state under the  
22 authority to practice interjurisdictional telepsychology.

23 *d.* A psychologist practicing into a receiving state under  
24 the authority to practice interjurisdictional telepsychology  
25 shall be subject to the receiving state's scope of practice.  
26 A receiving state may, in accordance with that state's due  
27 process law, limit or revoke a psychologist's authority to  
28 practice interjurisdictional telepsychology in the receiving  
29 state and may take any other necessary actions under the  
30 receiving state's applicable law to protect the health and  
31 safety of the receiving state's citizens. If a receiving state  
32 takes action, the state shall promptly notify the home state  
33 and the commission.

34 *e.* If a psychologist's license in any home state or another  
35 compact state, or any authority to practice interjurisdictional

1 telepsychology in any receiving state, is restricted,  
2 suspended, or otherwise limited, the E.Passport shall be  
3 revoked and the psychologist shall not be eligible to practice  
4 telepsychology in a compact state under the authority to  
5 practice interjurisdictional telepsychology.

6 5. *Article V — Compact temporary authorization to practice.*

7 a. Compact states shall also recognize the right of a  
8 psychologist, licensed in a compact state in conformance with  
9 article III, to practice temporarily in distant states in which  
10 the psychologist is not licensed, as provided in this compact.

11 b. To exercise the temporary authorization to practice  
12 under the terms and provisions of this compact, a psychologist  
13 licensed to practice in a compact state shall meet all of the  
14 following requirements:

15 (1) Hold a graduate degree in psychology from an institution  
16 of higher education that was either of the following, at the  
17 time the degree was awarded:

18 (a) Regionally accredited by an accrediting body recognized  
19 by the United States department of education to grant graduate  
20 degrees, or authorized by provincial statute or royal charter  
21 to grant doctoral degrees.

22 (b) A foreign college or university deemed to be equivalent  
23 to subparagraph (1), subparagraph division (a), by a foreign  
24 credential evaluation service that is a member of the national  
25 association of credential evaluation services or by a  
26 recognized foreign credential evaluation service.

27 (2) Hold a graduate degree in psychology that meets all of  
28 the following criteria:

29 (a) The program, wherever it may be administratively  
30 housed, must be clearly identified and labeled as a  
31 psychology program. Such a program must specify in pertinent  
32 institutional catalogues and brochures its intent to educate  
33 and train professional psychologists.

34 (b) The psychology program must stand as a recognizable,  
35 coherent, organizational entity within the institution.

1 (c) There must be a clear authority and primary  
2 responsibility for the core and specialty areas whether or not  
3 the program cuts across administrative lines.

4 (d) The program must consist of an integrated, organized  
5 sequence of study.

6 (e) There must be an identifiable psychology  
7 faculty sufficient in size and breadth to carry out its  
8 responsibilities.

9 (f) The designated director of the program must be a  
10 psychologist and a member of the core faculty.

11 (g) The program must have an identifiable body of students  
12 who are matriculated in that program for a degree.

13 (h) The program must include supervised practicum,  
14 internship, or field training appropriate to the practice of  
15 psychology.

16 (i) The curriculum shall encompass a minimum of three  
17 academic years of full-time graduate study for doctoral degrees  
18 and a minimum of one academic year of full-time graduate study  
19 for master's degrees.

20 (j) The program includes an acceptable residency as defined  
21 by the rules of the commission.

22 (3) Possess a current, full, and unrestricted license to  
23 practice psychology in a home state which is a compact state.

24 (4) Have no history of adverse action that violates the  
25 rules of the commission.

26 (5) Have no criminal record history that violates the rules  
27 of the commission.

28 (6) Possess a current, active IPC.

29 (7) Provide attestations in regard to areas of intended  
30 practice and work experience and provide a release of  
31 information to allow for primary source verification in a  
32 manner specified by the commission.

33 (8) Meet other criteria as defined by the rules of the  
34 commission.

35 c. A psychologist practicing into a distant state under the

1 temporary authorization to practice shall practice within the  
2 scope of practice authorized by the distant state.

3 *d.* A psychologist practicing into a distant state under the  
4 temporary authorization to practice shall be subject to the  
5 distant state's authority and law. A distant state may, in  
6 accordance with that state's due process law, limit or revoke  
7 a psychologist's temporary authorization to practice in the  
8 distant state and may take any other necessary actions under  
9 the distant state's applicable law to protect the health and  
10 safety of the distant state's citizens. If a distant state  
11 takes action, the state shall promptly notify the home state  
12 and the commission.

13 *e.* If a psychologist's license in any home state, another  
14 compact state, or any temporary authorization to practice in  
15 any distant state, is restricted, suspended, or otherwise  
16 limited, the IPC shall be revoked and the psychologist shall  
17 not be eligible to practice in a compact state under the  
18 temporary authorization to practice.

19 *6. Article VI — Conditions of telepsychology practice in a*  
20 *receiving state.* A psychologist may practice in a receiving  
21 state under the authority to practice interjurisdictional  
22 telepsychology only in the performance of the scope of  
23 practice for psychology as assigned by an appropriate state  
24 psychology regulatory authority, as defined in the rules of the  
25 commission, and under the following circumstances:

26 *a.* The psychologist initiates a client-patient contact  
27 in a home state via telecommunications technologies with a  
28 client-patient in a receiving state.

29 *b.* Other conditions regarding telepsychology as determined  
30 by rules promulgated by the commission.

31 *7. Article VII — Adverse actions.*

32 *a.* A home state shall have the power to impose adverse  
33 action against a psychologist's license issued by the home  
34 state. A distant state shall have the power to take adverse  
35 action on a psychologist's temporary authorization to practice

1 within that distant state.

2 *b.* A receiving state may take adverse action on a  
3 psychologist's authority to practice interjurisdictional  
4 telepsychology within that receiving state. A home state may  
5 take adverse action against a psychologist based on an adverse  
6 action taken by a distant state regarding temporary in-person,  
7 face-to-face practice.

8 *c.* If a home state takes adverse action against a  
9 psychologist's license, that psychologist's authority to  
10 practice interjurisdictional telepsychology is terminated and  
11 the E.Passport is revoked. Furthermore, that psychologist's  
12 temporary authorization to practice is terminated and the IPC  
13 is revoked.

14 (1) All home state disciplinary orders which impose adverse  
15 action shall be reported to the commission in accordance with  
16 the rules promulgated by the commission. A compact state shall  
17 report adverse actions in accordance with the rules of the  
18 commission.

19 (2) In the event discipline is reported on a psychologist,  
20 the psychologist shall not be eligible for telepsychology or  
21 temporary in-person, face-to-face practice in accordance with  
22 the rules of the commission.

23 (3) Other actions may be imposed as determined by the rules  
24 promulgated by the commission.

25 *d.* A home state's psychology regulatory authority shall  
26 investigate and take appropriate action with respect to  
27 reported inappropriate conduct engaged in by a licensee which  
28 occurred in a receiving state as it would if such conduct had  
29 occurred by a licensee within the home state. In such cases,  
30 the home state's law shall control in determining any adverse  
31 action against a psychologist's license.

32 *e.* A distant state's psychology regulatory authority  
33 shall investigate and take appropriate action with respect to  
34 reported inappropriate conduct engaged in by a psychologist  
35 practicing under temporary authorization to practice which

1 occurred in that distant state as it would if such conduct  
2 had occurred by a licensee within the home state. In such  
3 cases, the distant state's law shall control in determining any  
4 adverse action against a psychologist's temporary authorization  
5 to practice.

6 *f.* Nothing in this compact shall override a compact state's  
7 decision that a psychologist's participation in an alternative  
8 program may be used in lieu of adverse action and that such  
9 participation shall remain nonpublic if required by the compact  
10 state's law. Compact states shall require psychologists who  
11 enter any alternative programs to not provide telepsychology  
12 services under the authority to practice interjurisdictional  
13 telepsychology or provide temporary psychological services  
14 under the temporary authorization to practice in any other  
15 compact state during the term of the alternative program.

16 *g.* No other judicial or administrative remedies shall  
17 be available to a psychologist in the event a compact state  
18 imposes an adverse action pursuant to paragraph "c".

19 8. *Article VIII — Additional authorities invested in a*  
20 *compact state's psychology regulatory authority.* In addition  
21 to any other powers granted under state law, a compact state's  
22 psychology regulatory authority shall have the authority under  
23 this compact to do all of the following:

24 *a.* Issue subpoenas, for both hearings and investigations,  
25 which require the attendance and testimony of witnesses and  
26 the production of evidence. Subpoenas issued by a compact  
27 state's psychology regulatory authority for the attendance  
28 and testimony of witnesses or the production of evidence from  
29 another compact state shall be enforced in the latter state by  
30 any court of competent jurisdiction, according to that court's  
31 practice and procedure in considering subpoenas issued in its  
32 own proceedings. The issuing state psychology regulatory  
33 authority shall pay any witness fees, travel expenses, mileage,  
34 and other fees required by the service statutes of the state  
35 where the witnesses or evidence are located.

1     **b.** Issue cease and desist or injunctive relief  
2 orders to revoke a psychologist's authority to practice  
3 interjurisdictional telepsychology or temporary authorization  
4 to practice.

5     **c.** During the course of any investigation, a psychologist  
6 may not change the psychologist's home state licensure. A  
7 home state psychology regulatory authority is authorized to  
8 complete any pending investigations of a psychologist and  
9 to take any actions appropriate under its law. The home  
10 state psychology regulatory authority shall promptly report  
11 the conclusions of such investigations to the commission.  
12 Once an investigation has been completed, and pending the  
13 outcome of said investigation, the psychologist may change the  
14 psychologist's home state licensure. The commission shall  
15 promptly notify the new home state of any such decisions as  
16 provided in the rules of the commission. All information  
17 provided to the commission or distributed by compact states  
18 pursuant to the psychologist shall be confidential, filed under  
19 seal, and used for investigatory or disciplinary matters.  
20 The commission may create additional rules for mandated or  
21 discretionary sharing of information by compact states.

22     **9. Article IX — Coordinated licensure information system.**

23     **a.** The commission shall provide for the development and  
24 maintenance of a coordinated licensure information system and  
25 reporting system containing licensure and disciplinary action  
26 information on all psychologists individuals to whom this  
27 compact is applicable in all compact states as defined by the  
28 rules of the commission.

29     **b.** Notwithstanding any other provision of state law to the  
30 contrary, a compact state shall submit a uniform data set to  
31 the coordinated database on all licensees as required by the  
32 rules of the commission, including all of the following:

- 33       (1) Identifying information.  
34       (2) Licensure data.  
35       (3) Significant investigatory information.

1 (4) Adverse actions against a psychologist's license.

2 (5) An indicator that a psychologist's authority to  
3 practice interjurisdictional telepsychology or temporary  
4 authorization to practice is revoked.

5 (6) Nonconfidential information related to alternative  
6 program participation information.

7 (7) Any denial of application for licensure, and the reasons  
8 for such denial.

9 (8) Other information which may facilitate the  
10 administration of this compact, as determined by the rules of  
11 the commission.

12 c. The coordinated database administrator shall promptly  
13 notify all compact states of any adverse action taken against,  
14 or significant investigative information on, any licensee in a  
15 compact state.

16 d. Compact states reporting information to the coordinated  
17 database may designate information that may not be shared with  
18 the public without the express permission of the compact state  
19 reporting the information.

20 e. Any information submitted to the coordinated database  
21 that is subsequently required to be expunged by the law of the  
22 compact state reporting the information shall be removed from  
23 the coordinated database.

24 10. *Article X — Establishment of the psychology*  
25 *interjurisdictional compact commission.*

26 a. The compact states hereby create and establish a joint  
27 public agency known as the psychology interjurisdictional  
28 compact commission.

29 (1) The commission is a body politic and an instrumentality  
30 of the compact states.

31 (2) Venue is proper and judicial proceedings by or against  
32 the commission shall be brought solely and exclusively in a  
33 court of competent jurisdiction where the principal office of  
34 the commission is located. The commission may waive venue and  
35 jurisdictional defenses to the extent it adopts or consents to

1 participate in alternative dispute resolution proceedings.

2 (3) Nothing in this compact shall be construed to be a  
3 waiver of sovereign immunity.

4 *b. Membership, voting, and meetings.*

5 (1) The commission shall consist of one voting  
6 representative appointed by each compact state who shall serve  
7 as that state's commissioner. The state psychology regulatory  
8 authority shall appoint its delegate. This delegate shall be  
9 empowered to act on behalf of the compact state. This delegate  
10 shall be limited to one of the following:

11 (a) The executive director, executive secretary, or similar  
12 executive.

13 (b) A current member of the state psychology regulatory  
14 authority of a compact state.

15 (c) A designee empowered with the appropriate delegate  
16 authority to act on behalf of the compact state.

17 (2) Any commissioner may be removed or suspended from office  
18 as provided by the law of the state from which the commissioner  
19 is appointed. Any vacancy occurring in the commission shall  
20 be filled in accordance with the laws of the compact state in  
21 which the vacancy exists.

22 (3) Each commissioner shall be entitled to one vote with  
23 regard to the promulgation of rules and creation of bylaws  
24 and shall otherwise have an opportunity to participate in  
25 the business and affairs of the commission. A commissioner  
26 shall vote in person or by such other means as provided  
27 in the bylaws. The bylaws may provide for commissioners'  
28 participation in meetings by telephone or other means of  
29 communication.

30 (4) The commission shall meet at least once during each  
31 calendar year. Additional meetings shall be held as set forth  
32 in the bylaws.

33 (5) All meetings shall be open to the public, and public  
34 notice of meetings shall be given in the same manner as  
35 required under the rulemaking provisions in article XI.

1 (6) The commission may convene in a closed, nonpublic  
2 meeting if the commission must discuss any of the following:

3 (a) Noncompliance of a compact state with its obligations  
4 under this compact.

5 (b) The employment, compensation, discipline, or other  
6 personnel matters, practices, or procedures related to specific  
7 employees or other matters related to the commission's internal  
8 personnel practices and procedures.

9 (c) Current, threatened, or reasonably anticipated  
10 litigation against the commission.

11 (d) Negotiation of contracts for the purchase or sale of  
12 goods, services, or real estate.

13 (e) Accusation against any person of a crime or formal  
14 censure of any person.

15 (f) Disclosure of trade secrets or commercial or financial  
16 information which is privileged or confidential.

17 (g) Disclosure of information of a personal nature where  
18 disclosure would constitute a clearly unwarranted invasion of  
19 personal privacy.

20 (h) Disclosure of investigatory records compiled for law  
21 enforcement purposes.

22 (i) Disclosure of information related to any investigatory  
23 reports prepared by or on behalf of or for use of the  
24 commission or other committee charged with responsibility for  
25 investigation or determination of compliance issues pursuant  
26 to the compact.

27 (j) Matters specifically exempted from disclosure by  
28 federal and state statute.

29 (7) If a meeting, or portion of a meeting, is closed  
30 pursuant to subparagraph (6), the commission's legal counsel or  
31 designee shall certify that the meeting may be closed and shall  
32 reference each relevant exempting provision. The commission  
33 shall keep minutes which fully and clearly describe all matters  
34 discussed in a meeting and shall provide a full and accurate  
35 summary of actions taken, of any person participating in the

1 meeting, and the reasons therefore, including a description of  
2 the views expressed. All documents considered in connection  
3 with an action shall be identified in such minutes. All  
4 minutes and documents of a closed meeting shall remain under  
5 seal, subject to release only by a majority vote of the  
6 commission or order of a court of competent jurisdiction.

7 c. The commission shall, by a majority vote of the  
8 commissioners, prescribe bylaws or rules to govern its conduct  
9 as may be necessary or appropriate to carry out the purposes  
10 and exercise the powers of this compact, including but not  
11 limited to or providing for all of the following:

12 (1) Establishing the fiscal year of the commission.

13 (2) Providing reasonable standards and procedures for all  
14 of the following:

15 (a) The establishment and meetings of other committees.

16 (b) Governing any general or specific delegation of any  
17 authority or function of the commission.

18 (3) Providing reasonable procedures for calling and  
19 conducting meetings of the commission, ensuring reasonable  
20 advance notice of all meetings and providing an opportunity  
21 for attendance of such meetings by interested parties,  
22 with enumerated exceptions designed to protect the public's  
23 interest, the privacy of individuals of such proceedings,  
24 and proprietary information, including trade secrets. The  
25 commission may meet in closed session only after a majority  
26 of the commissioners vote to close a meeting to the public in  
27 whole or in part. As soon as practicable, the commission shall  
28 make public a copy of the vote to close the meeting revealing  
29 the vote of each commissioner with no proxy votes allowed.

30 (4) Establishing the titles, duties, and authority and  
31 reasonable procedures for the election of the officers of the  
32 commission.

33 (5) Providing reasonable standards and procedures for the  
34 establishment of the personnel policies and programs of the  
35 commission. Notwithstanding any civil service or other similar

1 law of any compact state, the bylaws shall exclusively govern  
2 the personnel policies and programs of the commission.

3 (6) Promulgating a code of ethics to address permissible and  
4 prohibited activities of commission members and employees.

5 (7) Providing a mechanism for concluding the operations of  
6 the commission and the equitable disposition of any surplus  
7 funds that may exist after the termination of the compact after  
8 the payment or reserving of all of its debts and obligations.

9 (8) The commission shall publish its bylaws in a convenient  
10 form and file a copy thereof and a copy of any amendment  
11 thereto, with the appropriate agency or officer in each of the  
12 compact states.

13 (9) The commission shall maintain its financial records in  
14 accordance with the bylaws.

15 (10) The commission shall meet and take such actions as are  
16 consistent with the provisions of this compact and the bylaws.

17 *d.* The commission shall have all of the following powers:

18 (1) The authority to promulgate uniform rules to facilitate  
19 and coordinate implementation and administration of this  
20 compact. The rules shall have the force and effect of law and  
21 shall be binding in all compact states.

22 (2) To bring and prosecute legal proceedings or actions in  
23 the name of the commission, provided that the standing of any  
24 state psychology regulatory authority or other regulatory body  
25 responsible for psychology licensure to sue or be sued under  
26 applicable law shall not be affected.

27 (3) To purchase and maintain insurance and bonds.

28 (4) To borrow, accept, or contract for services of  
29 personnel, including but not limited to employees of a compact  
30 state.

31 (5) To hire employees, elect or appoint officers, fix  
32 compensation, define duties, grant such individuals appropriate  
33 authority to carry out the purposes of the compact, and to  
34 establish the commission's personnel policies and programs  
35 relating to conflicts of interest, qualifications of personnel,

1 and other related personnel matters.

2 (6) To accept any and all appropriate donations and grants  
3 of money, equipment, supplies, materials and services, and to  
4 receive, utilize, and dispose of the same; provided that at all  
5 times the commission shall strive to avoid any appearance of  
6 impropriety or conflict of interest.

7 (7) To lease, purchase, accept appropriate gifts or  
8 donations of, or otherwise to own, hold, improve, or use,  
9 any property, real, personal, or mixed; provided that at all  
10 times the commission shall strive to avoid any appearance of  
11 impropriety.

12 (8) To sell, convey, mortgage, pledge, lease, exchange,  
13 abandon, or otherwise dispose of any property real, personal,  
14 or mixed.

15 (9) To establish a budget and make expenditures.

16 (10) To borrow money.

17 (11) To appoint committees, including advisory committees  
18 comprised of members, state regulators, state legislators or  
19 their representatives, and consumer representatives, and such  
20 other interested persons as may be designated in this compact  
21 and the bylaws.

22 (12) To provide and receive information from, and to  
23 cooperate with, law enforcement agencies.

24 (13) To adopt and use an official seal.

25 (14) To perform such other functions as may be necessary or  
26 appropriate to achieve the purposes of this compact consistent  
27 with the state regulation of psychology licensure, temporary  
28 in-person, face-to-face practice, and telepsychology practice.

29 e. The executive board.

30 (1) The elected officers shall serve as the executive board,  
31 which shall have the power to act on behalf of the commission  
32 according to the terms of this compact.

33 (2) The executive board shall be comprised of the following  
34 six members:

35 (a) Five voting members who are elected from the current

1 membership of the commission by the commission.

2 (b) One ex officio, nonvoting member from the recognized  
3 membership organization composed of state and provincial  
4 psychology regulatory authorities.

5 (3) The ex officio member must have served as staff or  
6 member on a state psychology regulatory authority and shall be  
7 selected by its respective organization.

8 (4) The commission may remove any member of the executive  
9 board as provided in the bylaws.

10 (5) The executive board shall meet at least annually.

11 (6) The executive board shall have all of the following  
12 duties and responsibilities:

13 (a) Recommend to the entire commission changes to the rules  
14 or bylaws, changes to this compact legislation, fees paid by  
15 compact states such as annual dues, and any other applicable  
16 fees.

17 (b) Ensure compact administration services are  
18 appropriately provided, contractual or otherwise.

19 (c) Prepare and recommend the budget.

20 (d) Maintain financial records on behalf of the commission.

21 (e) Monitor compact compliance of member states and provide  
22 compliance reports to the commission.

23 (f) Establish additional committees as necessary.

24 (g) Other duties as provided in the rules or bylaws.

25 *f.* Financing of the commission.

26 (1) The commission shall pay, or provide for the payment of,  
27 the reasonable expenses of its establishment, organization, and  
28 ongoing activities.

29 (2) The commission may accept any and all appropriate  
30 revenue sources, donations and grants of money, equipment,  
31 supplies, materials, and services.

32 (3) The commission may levy on and collect an annual  
33 assessment from each compact state or impose fees on other  
34 parties to cover the cost of the operations and activities of  
35 the commission and its staff which must be in a total amount

1 sufficient to cover its annual budget as approved each year  
2 for which revenue is not provided by other sources. The  
3 aggregate annual assessment amount shall be allocated based  
4 upon a formula to be determined by the commission which shall  
5 promulgate a rule binding upon all compact states.

6 (4) The commission shall not incur obligations of any kind  
7 prior to securing the funds adequate to meet the same; nor  
8 shall the commission pledge the credit of any of the compact  
9 states, except by and with the authority of the compact state.

10 (5) The commission shall keep accurate accounts of all  
11 receipts and disbursements. The receipts and disbursements of  
12 the commission shall be subject to the audit and accounting  
13 procedures established under its bylaws. However, all receipts  
14 and disbursements of funds handled by the commission shall be  
15 audited yearly by a certified or licensed public accountant and  
16 the report of the audit shall be included in and become part of  
17 the annual report of the commission.

18 *g.* Qualified immunity, defense, and indemnification.

19 (1) The members, officers, executive director, employees,  
20 and representatives of the commission shall be immune from suit  
21 and liability, either personally or in their official capacity,  
22 for any claim for damage to or loss of property or personal  
23 injury or other civil liability caused by or arising out of any  
24 actual or alleged act, error, or omission that occurred, or  
25 that the person against whom the claim is made had a reasonable  
26 basis for believing occurred within the scope of commission  
27 employment, duties, or responsibilities; provided that nothing  
28 in this subparagraph shall be construed to protect any such  
29 person from suit or liability for any damage, loss, injury,  
30 or liability caused by the intentional or willful or wanton  
31 misconduct of that person.

32 (2) The commission shall defend any member, officer,  
33 executive director, employee, or representative of the  
34 commission in any civil action seeking to impose liability  
35 arising out of any actual or alleged act, error, or omission

1 that occurred within the scope of commission employment,  
2 duties, or responsibilities, or that the person against  
3 whom the claim is made had a reasonable basis for believing  
4 occurred within the scope of commission employment, duties, or  
5 responsibilities; provided that nothing in this subparagraph  
6 shall be construed to prohibit that person from retaining the  
7 person's own counsel; and provided further, that the actual  
8 or alleged act, error, or omission did not result from that  
9 person's intentional or willful or wanton misconduct.

10 (3) The commission shall indemnify and hold harmless  
11 any member, officer, executive director, employee, or  
12 representative of the commission for the amount of any  
13 settlement or judgment obtained against that person arising  
14 out of any actual or alleged act, error, or omission that  
15 occurred within the scope of commission employment, duties,  
16 or responsibilities, or that such person had a reasonable  
17 basis for believing occurred within the scope of commission  
18 employment, duties, or responsibilities, provided that the  
19 actual or alleged act, error, or omission did not result from  
20 the intentional or willful or wanton misconduct of that person.

21 11. *Article XI — Rulemaking.*

22 a. The commission shall exercise its rulemaking powers  
23 pursuant to the criteria set forth in this article XI and the  
24 rules adopted under this article XI. Rules and amendments  
25 shall become binding as of the date specified in each rule or  
26 amendment.

27 b. If a majority of the legislatures of the compact states  
28 rejects a rule, by enactment of a statute or resolution in the  
29 same manner used to adopt this compact, then such rule shall  
30 have no further force and effect in any compact state.

31 c. Rules or amendments to the rules shall be adopted at a  
32 regular or special meeting of the commission.

33 d. Prior to promulgation and adoption of a final rule or  
34 rules by the commission, and at least sixty days in advance  
35 of the meeting at which the rule will be considered and voted

1 upon, the commission shall file a notice of proposed rulemaking  
2 on both of the following:

3 (1) On the internet site of the commission.

4 (2) On the internet site of each compact state's psychology  
5 regulatory authority or the publication in which each state  
6 would otherwise publish proposed rules.

7 *e.* The notice of proposed rulemaking shall include all of  
8 the following:

9 (1) The proposed time, date, and location of the meeting in  
10 which the rule will be considered and voted upon.

11 (2) The text of the proposed rule or amendment and the  
12 reason for the proposed rule.

13 (3) A request for comments on the proposed rule from any  
14 interested person.

15 (4) The manner in which interested persons may submit notice  
16 to the commission of their intention to attend the public  
17 hearing and any written comments.

18 *f.* Prior to adoption of a proposed rule, the commission  
19 shall allow persons to submit written data, facts, opinions,  
20 and arguments, which shall be made available to the public.

21 *g.* The commission shall grant an opportunity for a public  
22 hearing before it adopts a rule or amendment if a hearing is  
23 requested by any of the following:

24 (1) At least twenty-five persons who submit comments  
25 independently of each other.

26 (2) A governmental subdivision or agency.

27 (3) A duly appointed person in an association that has at  
28 least twenty-five members.

29 *h.* If a hearing is held on the proposed rule or amendment,  
30 the commission shall publish the place, time, and date of the  
31 scheduled public hearing.

32 (1) All persons wishing to be heard at the hearing shall  
33 notify the executive director of the commission or other  
34 designated member in writing of their desire to appear and  
35 testify at the hearing not less than five business days before

1 the scheduled date of the hearing.

2 (2) Hearings shall be conducted in a manner providing each  
3 person who wishes to comment a fair and reasonable opportunity  
4 to comment orally or in writing.

5 (3) No transcript of the hearing is required, unless  
6 a written request for a transcript is made, in which case  
7 the person requesting the transcript shall bear the cost of  
8 producing the transcript. A recording may be made in lieu of a  
9 transcript under the same terms and conditions as a transcript.  
10 This subparagraph shall not preclude the commission from making  
11 a transcript or recording of the hearing if it so chooses.

12 (4) Nothing in this article shall be construed as requiring  
13 a separate hearing on each rule. Rules may be grouped for the  
14 convenience of the commission at hearings required by this  
15 article.

16 *i.* Following the scheduled hearing date, or by the close  
17 of business on the scheduled hearing date if the hearing was  
18 not held, the commission shall consider all written and oral  
19 comments received.

20 *j.* The commission shall, by majority vote of all members,  
21 take final action on the proposed rule and shall determine the  
22 effective date of the rule, if any, based on the rulemaking  
23 record and the full text of the rule.

24 *k.* If no written notice of intent to attend the public  
25 hearing by interested parties is received, the commission may  
26 proceed with promulgation of the proposed rule without a public  
27 hearing.

28 *l.* Upon determination that an emergency exists, the  
29 commission may consider and adopt an emergency rule without  
30 prior notice, opportunity for comment, or hearing, provided  
31 that the usual rulemaking procedures provided in this compact  
32 and in this article shall be retroactively applied to the rule  
33 as soon as reasonably possible, in no event later than ninety  
34 days after the effective date of the rule. For the purposes of  
35 this paragraph, an emergency rule is one that must be adopted

1 immediately in order to address any of the following:

2 (1) Meet an imminent threat to public health, safety, or  
3 welfare.

4 (2) Prevent a loss of commission or compact state funds.

5 (3) Meet a deadline for the promulgation of an  
6 administrative rule that is established by federal law or rule.

7 (4) Protect public health and safety.

8 *m.* The commission or an authorized committee of the  
9 commission may direct revisions to a previously adopted rule  
10 or amendment for purposes of correcting typographical errors,  
11 errors in format, errors in consistency, or grammatical errors.  
12 Public notice of any revisions shall be posted on the website  
13 of the commission. The revision shall be subject to challenge  
14 by any person for a period of thirty days after posting. The  
15 revision may be challenged only on grounds that the revision  
16 results in a material change to a rule. A challenge shall be  
17 made in writing, and delivered to the chair of the commission  
18 prior to the end of the notice period. If no challenge is  
19 made, the revision will take effect without further action. If  
20 the revision is challenged, the revision shall not take effect  
21 without the approval of the commission.

22 12. *Article XII — Oversight, dispute resolution, and*  
23 *enforcement.*

24 *a. Oversight.*

25 (1) The executive, legislative, and judicial branches  
26 of state government in each compact state shall enforce this  
27 compact and take all actions necessary and appropriate to  
28 effectuate this compact's purposes and intent. The provisions  
29 of this compact and the rules promulgated under this compact  
30 shall have standing as statutory law.

31 (2) All courts shall take judicial notice of this compact  
32 and the rules in any judicial or administrative proceeding in a  
33 compact state pertaining to the subject matter of this compact  
34 which may affect the powers, responsibilities, or actions of  
35 the commission.

1 (3) The commission shall be entitled to receive service  
2 of process in any such proceeding, and shall have standing to  
3 intervene in such a proceeding for all purposes. Failure to  
4 provide service of process to the commission shall render a  
5 judgment or order void as to the commission, this compact, or  
6 promulgated rules.

7 *b. Default, technical assistance, and termination.*

8 (1) If the commission determines that a compact state  
9 has defaulted in the performance of its obligations or  
10 responsibilities under this compact or the promulgated rules,  
11 the commission shall do all of the following:

12 (a) Provide written notice to the defaulting state and other  
13 compact states of the nature of the default, the proposed means  
14 of remedying the default, or any other action to be taken by  
15 the commission.

16 (b) Provide remedial training and specific technical  
17 assistance regarding the default.

18 (2) If a state in default fails to remedy the default, the  
19 defaulting state may be terminated from this compact upon an  
20 affirmative vote of a majority of the compact states, and all  
21 rights, privileges, and benefits conferred by this compact  
22 shall be terminated on the effective date of termination. A  
23 remedy of the default does not relieve the offending state  
24 of obligations or liabilities incurred during the period of  
25 default.

26 (3) Termination of membership in this compact shall be  
27 imposed only after all other means of securing compliance have  
28 been exhausted. Notice of intent to suspend or terminate shall  
29 be submitted by the commission to the governor, the majority  
30 and minority leaders of the defaulting state's legislature, and  
31 each of the compact states.

32 (4) A compact state which has been terminated is  
33 responsible for all assessments, obligations, and liabilities  
34 incurred through the effective date of termination, including  
35 obligations which extend beyond the effective date of

1 termination.

2 (5) The commission shall not bear any costs incurred by  
3 the state which is found to be in default or which has been  
4 terminated from this compact, unless agreed upon in writing  
5 between the commission and the defaulting state.

6 (6) The defaulting state may appeal the action of the  
7 commission by petitioning the United States district court for  
8 the state of Georgia or the federal district where the compact  
9 has its principal offices. The prevailing member shall be  
10 awarded all costs of such litigation, including reasonable  
11 attorney fees.

12 *c. Dispute resolution.*

13 (1) Upon request by a compact state, the commission shall  
14 attempt to resolve disputes related to this compact which arise  
15 among compact states and between compact and noncompact states.

16 (2) The commission shall promulgate a rule providing for  
17 both mediation and binding dispute resolution for disputes that  
18 arise before the commission.

19 *d. Enforcement.*

20 (1) The commission, in the reasonable exercise of its  
21 discretion, shall enforce the provisions and rules of this  
22 compact.

23 (2) By majority vote, the commission may initiate legal  
24 action in the United States district court for the state  
25 of Georgia or the federal district where the compact has  
26 its principal offices against a compact state in default to  
27 enforce compliance with the provisions of the compact and its  
28 promulgated rules and bylaws. The relief sought may include  
29 both injunctive relief and damages. In the event judicial  
30 enforcement is necessary, the prevailing member shall be  
31 awarded all costs of such litigation, including reasonable  
32 attorney's fees.

33 (3) The remedies in this article shall not be the exclusive  
34 remedies of the commission. The commission may pursue any  
35 other remedies available under federal or state law.

1 13. *Article XIII — Date of implementation of the psychology*  
2 *interjurisdictional compact commission and associated rules,*  
3 *withdrawal, and amendments.*

4 a. This compact shall come into effect on the date on which  
5 the compact is enacted into law in the seventh compact state.  
6 The provisions which become effective at that time shall be  
7 limited to the powers granted to the commission relating to  
8 assembly and the promulgation of rules. Thereafter, the  
9 commission shall meet and exercise rulemaking powers necessary  
10 to the implementation and administration of this compact.

11 b. Any state which joins the compact subsequent to the  
12 commission's initial adoption of the rules shall be subject  
13 to the rules as they exist on the date on which the compact  
14 becomes law in that state. Any rule which has been previously  
15 adopted by the commission shall have the full force and effect  
16 of law on the day the compact becomes law in that state.

17 c. Any compact state may withdraw from this compact by  
18 enacting a statute repealing the compact.

19 (1) A compact state's withdrawal shall not take effect until  
20 six months after enactment of the repealing statute.

21 (2) Withdrawal shall not affect the continuing requirement  
22 of the withdrawing state's psychology regulatory authority to  
23 comply with the investigative and adverse action reporting  
24 requirements of this compact prior to the effective date of  
25 withdrawal.

26 d. Nothing contained in this compact shall be construed to  
27 invalidate or prevent any psychology licensure agreement or  
28 other cooperative arrangement between a compact state and a  
29 noncompact state which does not conflict with the provisions of  
30 this compact.

31 e. This compact may be amended by the compact states. No  
32 amendment to this compact shall become effective and binding  
33 upon any compact state until it is enacted into the law of all  
34 compact states.

35 14. *Article XIV — Construction and severability.* This

1 compact shall be liberally construed so as to effectuate the  
2 purposes thereof. If this compact shall be held contrary to  
3 the constitution of any compact state, the compact shall remain  
4 in full force and effect as to the remaining compact states.

5 DIVISION VII

6 CIGARETTE TAXATION

7 Sec. 24. Section 453A.6, subsection 1, Code 2026, is amended  
8 to read as follows:

9 1. There is imposed, and shall be collected and paid to  
10 the department, a tax on all cigarettes used or otherwise  
11 disposed of in this state for any purpose equal to ~~six~~ ten and  
12 ~~eight-tenths~~ five hundredths cents on each cigarette.

13 Sec. 25. Section 453A.6, subsection 8, paragraph a, Code  
14 2026, is amended to read as follows:

15 a. Pay directly to the department, in lieu of the tax under  
16 subsection 1, a tax equal to ~~three~~ four and ~~six~~ fifty-two  
17 hundredths cents on each cigarette dispensed from such machine.  
18 Payments made under this paragraph shall be remitted to the  
19 department electronically.

20 DIVISION VIII

21 TAX ON TOBACCO PRODUCTS

22 Sec. 26. Section 453A.43, Code 2026, is amended to read as  
23 follows:

24 **453A.43 Tax on tobacco products.**

25 1. a. A tax is imposed upon all tobacco products in this  
26 state and upon any person engaged in business as a distributor  
27 of tobacco products, at the rate of ~~twenty-two~~ fifty-five  
28 percent of the wholesale sales price of the tobacco products,  
29 ~~except little cigars and snuff as defined in section 453A.42.~~  
30 Notwithstanding the rate of tax imposed under this paragraph  
31 "a" on tobacco products, little cigars shall be subject to the  
32 tax as specified pursuant to paragraph "c", and snuff shall be  
33 subject to the tax as specified in paragraph "d".

34 b. ~~In addition to the tax imposed under paragraph "a", a~~  
35 ~~tax is imposed upon all tobacco products in this state and upon~~

1 ~~any person engaged in business as a distributor of tobacco~~  
2 ~~products, at the rate of twenty-eight percent of the wholesale~~  
3 ~~sales price of the tobacco products, except little cigars and~~  
4 ~~snuff as defined in [section 453A.42](#).~~

5 ~~c.~~ b. Notwithstanding the rate of tax imposed pursuant  
6 to ~~paragraphs~~ paragraph "a" and "b", if the tobacco product  
7 is a cigar, the total amount of the tax imposed pursuant to  
8 ~~paragraphs~~ paragraph "a" and "b" combined shall not exceed fifty  
9 fifty-five cents per cigar.

10 ~~d.~~ c. Little cigars shall be subject to the same rate of  
11 tax imposed upon cigarettes in [section 453A.6](#), payable at the  
12 time and in the manner provided in [section 453A.6](#); and stamps  
13 shall be affixed as provided in [subchapter I of this chapter](#).

14 d. Snuff shall be subject to the tax as provided in  
15 subsections 3 and 4.

16 e. The taxes on tobacco products, ~~excluding little cigars~~  
17 ~~and snuff~~, shall be imposed at the time the distributor does  
18 any of the following:

19 (1) Brings, or causes to be brought, into this state from  
20 outside the state tobacco products for sale.

21 (2) Makes, manufactures, or fabricates tobacco products in  
22 this state for sale in this state.

23 (3) Ships or transports tobacco products to retailers in  
24 this state, to be sold by those retailers.

25 2. a. A tax is imposed upon the use or storage by consumers  
26 of tobacco products in this state, and upon the consumers, at  
27 the rate of ~~twenty-two~~ fifty-five percent of the cost of the  
28 tobacco products.

29 ~~b.~~ ~~In addition to the tax imposed in paragraph "a", a tax~~  
30 ~~is imposed upon the use or storage by consumers of tobacco~~  
31 ~~products in this state, and upon the consumers, at a rate of~~  
32 ~~twenty-eight percent of the cost of the tobacco products.~~

33 ~~c.~~ b. Notwithstanding the rate of tax imposed pursuant  
34 to ~~paragraphs~~ paragraph "a" and "b", if the tobacco product  
35 is a cigar, the total amount of the tax imposed pursuant to

1 ~~paragraphs~~ paragraph "a" and ~~"b"~~ combined shall not exceed fifty  
2 fifty-five cents per cigar.

3 ~~d.~~ c. The taxes imposed by this subsection shall not apply  
4 if the taxes imposed by subsection 1 on the tobacco products  
5 have been paid.

6 ~~e.~~ d. The taxes imposed under this subsection shall not  
7 apply to the use or storage of tobacco products in quantities  
8 of:

9 (1) Less than twenty-five cigars.

10 (2) Less than one pound smoking or chewing tobacco or other  
11 tobacco products not specifically mentioned herein in this  
12 chapter, in the possession of any one consumer.

13 3. A tax is imposed upon all snuff in this state and upon  
14 any person engaged in business as a distributor of snuff at  
15 the rate of ~~one dollar and nineteen cents per ounce, with a~~  
16 ~~proportionate tax at the same rate on all fractional parts of~~  
17 ~~an ounce of snuff~~ fifty-five percent of the wholesale sales  
18 price. ~~The tax shall be computed based on the net weight~~  
19 ~~listed by the manufacturer.~~ The tax on snuff shall be imposed  
20 at the time the distributor does any of the following:

21 a. Brings or causes to be brought into this state from  
22 outside the state, snuff for sale.

23 b. Makes, manufactures, or fabricates snuff in this state  
24 for sale in this state.

25 c. Ships or transports snuff to retailers in this state, to  
26 be sold by those retailers.

27 4. a. A tax is imposed upon the use or storage by consumers  
28 of snuff in this state, and upon the consumers, at the rate of  
29 ~~one dollar and nineteen cents per ounce with a proportionate~~  
30 ~~tax at the same rate on all fractional parts of an ounce of~~  
31 ~~snuff~~ fifty-five percent of the wholesale sales price. ~~The~~  
32 ~~tax shall be computed based on the net weight as listed by the~~  
33 ~~manufacturer.~~

34 b. The tax imposed by this subsection shall not apply if the  
35 tax imposed by subsection 3 on snuff has been paid.

1 c. The tax shall not apply to the use or storage of snuff in  
2 quantities of less than ten ounces.

3 5. Any tobacco product with respect to which a tax has once  
4 been imposed under [this subchapter](#) shall not again be subject  
5 to tax under [this subchapter](#), except as provided in section  
6 453A.40.

7 6. The tax imposed by [this section](#) shall not apply with  
8 respect to any tobacco product which under the Constitution  
9 and laws of the United States may not be made the subject of  
10 taxation by this state.

11 7. The tax imposed by [this section](#) shall be in addition to  
12 all other occupation or privilege taxes or license fees ~~now or~~  
13 ~~hereafter~~ imposed by any city or county.

14 8. All excise taxes collected under [this chapter](#) by a  
15 distributor or any individual are deemed to be held in trust  
16 for the state of Iowa.

17 DIVISION IX

18 EXCISE TAX ON VAPOR PRODUCTS

19 Sec. 27. Section 331.303, subsection 3, Code 2026, is  
20 amended to read as follows:

21 3. Act upon applications for cigarette, tobacco product,  
22 and vapor product tax permits in accordance with [chapter 453A](#).

23 Sec. 28. Section 331.653, subsection 11, Code 2026, is  
24 amended to read as follows:

25 11. Carry out duties relating to the seizure and forfeiture  
26 of cigarettes, tobacco products, and vapor products, vehicles,  
27 and other property used in violation of cigarette, tobacco  
28 product, and vapor product tax laws as provided in section  
29 453A.32.

30 Sec. 29. Section 331.756, subsection 19, Code 2026, is  
31 amended to read as follows:

32 19. Assist, at the request of the director of revenue, in  
33 the enforcement of ~~cigar and~~ cigarette, tobacco product, and  
34 vapor product tax laws as provided in [sections 453A.32](#) and  
35 453A.49.

1     Sec. 30. Section 453A.1, subsection 21, Code 2026, is  
2 amended to read as follows:

3     21. "*Place of business*" is construed to mean and include any  
4 place where cigarettes, tobacco products, or vapor products are  
5 sold or where cigarettes, tobacco products, or vapor products  
6 are stored within or without the state of Iowa by the holder of  
7 an Iowa permit or kept for the purpose of sale or consumption;  
8 or if sold from any vehicle or train, the vehicle or train on  
9 which or from which such cigarettes, tobacco products, or vapor  
10 products are sold shall constitute a place of business; or for  
11 a business within or without the state that conducts delivery  
12 sales, any place where alternative nicotine products or vapor  
13 products are sold or where alternative nicotine products or  
14 vapor products are kept for the purpose of sale.

15     Sec. 31. Section 453A.15, subsections 1, 2, and 4, Code  
16 2026, are amended to read as follows:

17     1. The director may prescribe the forms necessary for the  
18 efficient administration of [this subchapter](#) and may require  
19 uniform books and records to be used and kept by each permit  
20 holder or other person as deemed necessary. The director may  
21 also require each permit holder or other person to keep and  
22 retain in the director's possession evidence on prescribed  
23 forms of all transactions involving the purchase and sale  
24 of cigarettes, tobacco products, or vapor products, or the  
25 purchase and use of stamps. The evidence shall be kept for a  
26 period of three years from the date of each transaction, for  
27 the inspection at all times by the department.

28     2. Where a state permit holder sells cigarettes, tobacco  
29 products, or vapor products at retail, the holder shall be  
30 required to maintain detailed records for sales of cigarettes,  
31 tobacco products, or vapor products to be sold at retail and  
32 ~~the cigarette~~ such sales records shall be kept separate and  
33 apart.

34     4. Every permit holder or other person shall, when requested  
35 by the department, make additional reports as the department

1 deems necessary and proper and shall at the request of the  
2 department furnish full and complete information pertaining to  
3 any transaction of the permit holder or other person involving  
4 the purchase or sale or use of cigarettes, tobacco products, or  
5 vapor products, or purchase of cigarette stamps.

6 Sec. 32. Section 453A.24, Code 2026, is amended to read as  
7 follows:

8 **453A.24 Carrier to permit access to records.**

9 1. Every common carrier or person in this state having  
10 custody of books or records showing the transportation  
11 of cigarettes, tobacco products, or vapor products, both  
12 interstate and intrastate, shall give and allow the department  
13 free access to those books and records.

14 2. The director may require by rule that common carriers  
15 or the appropriate persons provide monthly reports to the  
16 department detailing all information the department deems  
17 necessary on shipments into and out of Iowa of cigarettes,  
18 and tobacco products, alternative nicotine products, or vapor  
19 products as set forth in [this subchapter I](#) and subchapter  
20 II of this chapter. A report required to be submitted  
21 by the director pursuant to [this section](#) shall be filed  
22 electronically.

23 Sec. 33. Section 453A.32, subsection 6, Code 2026, is  
24 amended to read as follows:

25 6. The provisions of [this section](#) applying to cigarettes  
26 shall also apply to tobacco products, alternative nicotine  
27 products, and vapor products taxed under subchapter II of this  
28 chapter.

29 Sec. 34. Section 453A.33, Code 2026, is amended to read as  
30 follows:

31 **453A.33 Seizure not to affect criminal prosecution.**

32 The seizure, forfeiture, and sale of cigarettes, tobacco  
33 products, alternative nicotine products, vapor products, and  
34 other property under the terms and conditions set out in  
35 section 453A.32, shall not constitute any defense to the person

1 owning or having control or possession of the property from  
2 criminal prosecution for any act or omission made or offense  
3 committed under [this chapter](#) or from liability to pay penalties  
4 provided by [this chapter](#).

5 Sec. 35. Section 453A.35, subsection 1, paragraph b, Code  
6 2026, is amended to read as follows:

7 *b.* The revenues generated from the tax on consumable hemp  
8 products as specified in section 453F.2, from the tax on  
9 cigarettes pursuant to section 453A.6, ~~subsection 1~~ subsections  
10 1 and 8, from the tax on tobacco products as specified in  
11 section 453A.43, subsections 1, 2, 3, and 4, from the tax  
12 on vapor products as specified in section 453A.47D, and from  
13 the fees and penalties specified in [subchapter III](#) shall be  
14 credited to the health care trust fund created in section  
15 453A.35A.

16 Sec. 36. Section 453A.35A, subsection 1, Code 2026, is  
17 amended to read as follows:

18 1. A health care trust fund is created in the office of  
19 the treasurer of state. The fund consists of the revenues  
20 generated from the tax on consumable hemp products as specified  
21 in section 453F.2, from the tax on cigarettes pursuant to  
22 section 453A.6, ~~subsection 1~~ subsections 1 and 8, from the  
23 tax on tobacco products as specified in section 453A.43,  
24 subsection 1, 2, 3, and 4, from the tax on vapor products as  
25 specified in section 453A.47D, and from the fees and penalties  
26 specified in [subchapter III](#), that are credited to the health  
27 care trust fund, annually, pursuant to [section 453A.35](#). Moneys  
28 in the fund shall be separate from the general fund of the  
29 state and shall not be considered part of the general fund of  
30 the state. Moneys in the fund shall be used only as specified  
31 in [this section](#) and shall be appropriated only for the uses  
32 specified. Moneys in the fund are not subject to [section 8.33](#)  
33 and shall not be transferred, used, obligated, appropriated,  
34 or otherwise encumbered, except as provided in [this section](#).  
35 Notwithstanding [section 12C.7, subsection 2](#), interest or

1 earnings on moneys deposited in the fund shall be credited to  
2 the fund.

3 Sec. 37. Section 453A.39, subsection 1, Code 2026, is  
4 amended to read as follows:

5 1. A manufacturer, distributor, wholesaler, retailer, or  
6 distributing agent, or an agent thereof of a manufacturer,  
7 distributor, wholesaler, retailer, or distributing agent,  
8 shall not give away cigarettes, or tobacco products, or vapor  
9 products at any time in connection with the manufacturer's,  
10 distributor's, wholesaler's, retailer's, or distributing  
11 agent's business or for promotion of the business or product,  
12 except as provided in [subsection 2](#).

13 Sec. 38. Section 453A.40, subsections 1 and 3, Code 2026,  
14 are amended to read as follows:

15 1. All persons required to obtain a permit or to be licensed  
16 under [section 453A.13](#) or [section 453A.44](#) having in their  
17 possession and held for resale on the effective date of an  
18 increase in the tax rate cigarettes, little cigars, ~~or~~ tobacco  
19 products, or vapor products upon which the tax under section  
20 453A.6, ~~or~~ [453A.43](#), or [453A.47D](#) has been paid, unused cigarette  
21 tax stamps which have been paid for under [section 453A.8](#),  
22 unused metered imprints which have been paid for under section  
23 453A.12, or tobacco products for which the tax has not been  
24 paid under [section 453A.46](#) shall be subject to an inventory tax  
25 on the items as provided in [this section](#).

26 3. The rate of the inventory tax on each item subject to  
27 the tax as specified in [subsection 1](#) is equal to the difference  
28 between the amount paid on each item under [section 453A.6](#),  
29 453A.8, [453A.12](#), ~~or~~ [453A.43](#), or [453A.47D](#) prior to the tax  
30 increase and the amount that is to be paid on each similar item  
31 under [section 453A.6](#), 453A.8, [453A.12](#), ~~or~~ [453A.43](#), or [453A.47D](#)  
32 after the tax increase except that in computing the rate of the  
33 inventory tax any discount allowed or allowable under section  
34 453A.8 shall not be considered.

35 Sec. 39. Section 453A.42, subsections 1, 2, 8, 9, 10, 12,

1 14, and 17, Code 2026, are amended to read as follows:

2 1. "*Business*" means any trade, occupation, activity,  
3 or enterprise engaged in for the purpose of selling or  
4 distributing tobacco products or vapor products in this state.

5 2. "*Consumer*" means any person who has title to or  
6 possession of tobacco products or vapor products in storage,  
7 for use or other consumption in this state.

8 8. "*Person*" means any individual, firm, association,  
9 partnership, joint stock company, joint ~~adventure~~ venture,  
10 corporation, trustee, agency, or receiver, or any legal  
11 representative of any ~~of the foregoing~~ individual, firm,  
12 association, partnership, joint stock company, joint venture,  
13 corporation, trustee, agency, or receiver.

14 9. "*Place of business*" means any place where tobacco  
15 products are sold or where tobacco products or vapor products  
16 are manufactured, stored, or kept for the purpose of sale or  
17 consumption, including any vessel, vehicle, airplane, train,  
18 or vending machine; or for a business within or without  
19 the state that conducts delivery sales, any place where  
20 alternative nicotine products or vapor products are sold or  
21 where alternative nicotine products or vapor products are kept  
22 for the purpose of sale, including delivery sales.

23 10. "*Retail outlet*" means each place of business from which  
24 tobacco products or vapor products are sold to consumers.

25 12. "*Sale*" means any transfer, exchange, or barter, in any  
26 manner or by any means whatsoever, for a consideration, and  
27 includes and means all sales made by any person. It includes  
28 a gift by a person engaged in the business of selling tobacco  
29 products or vapor products, for advertising, as a means of  
30 evading the provisions of **this subchapter**, or for any other  
31 purposes whatsoever.

32 14. "*Storage*" means any keeping or retention of tobacco  
33 products or vapor products for use or consumption in this  
34 state.

35 17. "*Use*" means the exercise of any right or power

1 incidental to the ownership of tobacco products or vapor  
2 products.

3 Sec. 40. Section 453A.42, Code 2026, is amended by adding  
4 the following new subsection:

5 NEW SUBSECTION. 10A. "*Retail sales price*" means the same as  
6 "*sales price*" as defined in section 423.1.

7 Sec. 41. Section 453A.45, subsection 3, Code 2026, is  
8 amended to read as follows:

9 3. Every retailer and subjobber shall procure itemized  
10 invoices of all tobacco products and vapor products purchased.  
11 The invoices shall show the name and address of the seller  
12 and the date of purchase. The retailer and subjobber shall  
13 preserve a legible copy of each invoice for three years  
14 from the date of purchase. Invoices shall be available  
15 for inspection by the director or the director's authorized  
16 agents or employees at the retailer's or subjobber's place of  
17 business.

18 Sec. 42. NEW SECTION. **453A.47D Excise tax on vapor**  
19 **products.**

20 1. An excise tax at a rate of fifteen percent is imposed  
21 on the retail sales price from the retail sale of, including  
22 a delivery sale, of a vapor product. The amount of tax shall  
23 be added to the retail sales price at the point of sale to the  
24 consumer and shall be collected from the consumer.

25 2. The tax imposed by this section shall not apply with  
26 respect to any vapor product which under the Constitution  
27 and laws of the United States may not be made the subject of  
28 taxation by this state.

29 3. The director shall administer the excise tax imposed  
30 under this section as nearly as possible in conjunction with  
31 the administration of the state sales and use tax law, except  
32 that portion of the law that implements the streamlined sales  
33 and use tax agreement. The director shall provide appropriate  
34 forms, or provide on the regular state tax forms, for  
35 reporting vapor product excise tax liability, and for ease of

1 administration may require vapor product excise tax liability  
2 to be identified, reported, and remitted to the department as  
3 sales and use tax liability, provided the department has the  
4 ability to properly identify such amounts as vapor product  
5 excise tax revenues upon receipt.

6 4. The director may require all persons who are engaged  
7 in the business of deriving any sales price or purchase  
8 price subject to tax under this section to register with  
9 the department. The director may also require a tax permit  
10 applicable only to this section for any vapor product retailer  
11 not collecting, or any vapor product user not paying, taxes  
12 under chapter 423.

13 5. Section 422.25, subsection 4, sections 422.30, 422.67,  
14 and 422.68, section 422.69, subsection 1, sections 422.70,  
15 422.71, 422.72, 422.74, and 422.75, section 423.14, subsection  
16 1, and sections 423.23, 423.24, 423.25, 423.31 through 423.35,  
17 423.37, 423.39 through 423.42, and 423.47, consistent with  
18 the provisions of this chapter, shall apply with respect to  
19 the tax authorized under this section in the same manner and  
20 with the same effect as if the excise taxes on the sale of  
21 vapor products were retail sales taxes within the meaning of  
22 those statutes. Notwithstanding this subsection, the director  
23 shall provide for monthly filing of returns and for other than  
24 monthly filing of returns both as prescribed in section 423.31.

25 6. The tax imposed by this section shall be in addition to  
26 any other taxes imposed by law.

27 7. All excise taxes collected under this section by any  
28 person are deemed to be held in trust for the state of Iowa.

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

31 Sec. 43. Section 453A.51, Code 2026, is amended to read as  
32 follows:

33 **453A.51 Assessment of cost of audit.**

34 The department may employ auditors or other persons to  
35 audit and examine the books and records of a permit holder or

1 other person dealing in tobacco products and vapor products  
2 to ascertain whether the permit holder or other person has  
3 paid the amount of the taxes required to be paid by the permit  
4 holder or other person under the provisions of this chapter.  
5 If the taxes have not been paid, as required, the department  
6 shall assess against the permit holder or other person, as  
7 additional penalty, the reasonable expenses and costs of the  
8 investigation and audit.

9

DIVISION X

10

EXCISE TAX ON CONSUMABLE HEMP

11 Sec. 44. Section 204.7, subsection 4, Code 2026, is amended  
12 to read as follows:

13 4. A person selling a consumable hemp product in this state  
14 shall register with the department of health and human services  
15 on a form prescribed by the department of health and human  
16 services by rule and shall keep on the premises of the person's  
17 business a copy of the certificate of analysis issued pursuant  
18 to section 204.8 for the hemp contained in the consumable hemp  
19 products sold by the person. The department of health and  
20 human services may impose a fee, established by the department  
21 of health and human services by rule, on a registrant not to  
22 exceed the cost of processing the registration. The department  
23 of health and human services shall provide the names of  
24 persons registering to sell consumable hemp products to the  
25 department of revenue for the purpose of collecting the excise  
26 tax in section 453F.2. The department of health and human  
27 services shall adopt rules for the revocation of a registration  
28 issued to a person who sells a consumable hemp product not in  
29 compliance with this section.

30 Sec. 45. NEW SECTION. 453F.1 Definitions.

31 As used in this chapter:

32 1. "*Consumable hemp product*" means the same as defined in  
33 section 204.2.

34 2. "*Delivery sale*" means any sale of a consumable hemp  
35 product to a purchaser in this state where the purchaser

1 submits the order for such sale by means of a telephonic  
2 or other method of voice transmission, mail or any other  
3 delivery service, or the internet or other online service and  
4 the consumable hemp product is delivered by use of mail or a  
5 delivery service. The sale of consumable hemp product shall  
6 constitute a delivery sale regardless of whether the seller is  
7 located in this state. "Delivery sale" does not include a sale  
8 to a distributor or retailer of any consumable hemp product not  
9 for personal consumption.

10 3. "Department" means the department of revenue.

11 4. "Director" means the director of revenue.

12 5. "Retail sales price" means the same as "sales price" as  
13 defined in section 423.1.

14 Sec. 46. NEW SECTION. 453F.2 Excise tax — rules.

15 1. An excise tax at a rate of fifteen percent is imposed  
16 on the retail sales price from the retail sale, including a  
17 delivery sale, of a consumable hemp product. The amount of the  
18 tax shall be added to the retail sales price at the point of  
19 sale to the consumer and shall be collected from the consumer.

20 2. a. An excise tax at a rate of fifteen percent is imposed  
21 upon the use and storage by a consumer of a consumable hemp  
22 product in this state at a rate of fifteen percent of the cost  
23 of the consumable hemp product.

24 b. The taxes imposed pursuant to this subsection shall not  
25 apply if the taxes imposed by subsection 1 on the consumable  
26 hemp product have been paid.

27 3. The director shall administer the excise tax imposed  
28 under this section as nearly as possible in conjunction with  
29 the administration of the state sales and use tax law, except  
30 that portion of the law that implements the streamlined sales  
31 and use tax agreement. The director shall provide appropriate  
32 forms, or provide on the regular state tax forms, for reporting  
33 consumable hemp product excise tax liability, and for ease  
34 of administration may require consumable hemp product excise  
35 tax liability to be identified, reported, and remitted to

1 the department as sales and use tax liability, provided the  
2 department has the ability to properly identify such amounts as  
3 consumable hemp product excise tax revenues upon receipt.

4 4. The director may require all persons who are engaged  
5 in the business of deriving any sales price or purchase  
6 price subject to tax under this chapter to register with  
7 the department. The director may also require a tax permit  
8 applicable only to this section for any consumable hemp product  
9 retailer not collecting, or any consumable hemp product user  
10 not paying, taxes under chapter 423.

11 5. Section 422.25, subsection 4, sections 422.30, 422.67,  
12 and 422.68, section 422.69, subsection 1, sections 422.70,  
13 422.71, 422.72, 422.74, and 422.75, section 423.14, subsection  
14 1, and sections 423.23, 423.24, 423.25, 423.31 through 423.35,  
15 423.37, 423.39 through 423.42, and 423.47, consistent with the  
16 provisions of this chapter, shall apply with respect to the tax  
17 authorized under this section in the same manner and with the  
18 same effect as if the excise taxes on the sale of consumable  
19 hemp products were retail sales taxes within the meaning of  
20 those statutes. Notwithstanding this subsection, the director  
21 shall provide for monthly filing of returns and for other than  
22 monthly filing of returns both as prescribed in section 423.31.

23 6. The tax imposed by this section shall not apply with  
24 respect to any consumable hemp product which under the  
25 Constitution and laws of the United States may not be made the  
26 subject of taxation by this state.

27 7. The tax imposed by this section shall be in addition to  
28 any other taxes imposed by law.

29 8. All excise taxes collected under this section by any  
30 person are deemed to be held in trust for the state of Iowa  
31 and shall be credited to the health care trust fund created in  
32 section 453A.35A.

33 9. The department shall adopt rules pursuant to chapter 17A  
34 to administer this chapter.

35

EXPLANATION

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

3       This bill relates to the regulation of health-related  
4 matters, including health-related professions, health  
5 facilities, nutrition, and taxation. The bill is organized in  
6 divisions.

7       DIVISION I — CONTINUING EDUCATION REQUIREMENTS — NUTRITION  
8 AND METABOLIC HEALTH. The bill requires the board of medicine  
9 and the board of physician assistants to adopt rules requiring  
10 certain licensees to receive continuing education credits  
11 regarding nutritional and metabolic health as a condition of  
12 license renewal.

13       DIVISION II — CERTIFICATE OF NEED. The bill changes the  
14 definition of "new institutional health service" or "changed  
15 institutional health service". The bill alters the list of  
16 items that are excluded from the provisions of Code chapter  
17 135 (department of health and human services — public  
18 health), subchapter VI (health facilities). The bill strikes  
19 a provision restricting the department of health and human  
20 services (HHS) from processing applications for an intermediate  
21 care facility for persons with an intellectual disability, or  
22 considering a new or changed institutional health service for  
23 an intermediate care facility for persons with an intellectual  
24 disability, unless the new or changed beds shall not result  
25 in an increase in the total number of medical assistance  
26 certified intermediate care facility beds for persons with an  
27 intellectual disability in the state, exclusive of those beds  
28 at the state resource centers or other state institutions,  
29 beyond 1,636 beds.

30       The bill replaces a requirement that HHS hold a public  
31 hearing on an application for a certificate of need with a  
32 requirement that the department provide a period for the  
33 submission of written comments from affected persons. The bill  
34 strikes an authorization for the department to call a public  
35 hearing on the question of whether to grant an extension for an

1 expiring certificate of need.

2 DIVISION III — SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM —  
3 SUMMER ELECTRONIC BENEFITS TRANSFER FOR CHILDREN PROGRAM. The  
4 bill requires HHS to continuously maintain state participation  
5 in the federal supplemental nutrition assistance program (SNAP)  
6 by administering the program in accordance with guidelines  
7 approved by the United States department of agriculture, food  
8 and nutrition service, to define "eligible foods" as "healthy  
9 foods", as that term is defined by the department, and to seek  
10 any federal approval necessary to ensure that provision of  
11 benefits is continuous. The bill requires HHS to ensure that  
12 the provision of SNAP benefits to recipients is uninterrupted.

13 The bill also allows HHS to participate in the summer  
14 electronic benefits transfer for children program, subject to  
15 federal approval of guidelines for eligible foods under the  
16 program that are similar to the guidelines for eligible foods  
17 under SNAP.

18 DIVISION IV — IVERMECTIN — OVER-THE-COUNTER AVAILABILITY.  
19 The bill allows a pharmacist, pharmacy, or other person  
20 to distribute ivermectin for human consumption as an  
21 over-the-counter medicine. A pharmacist, pharmacy, or other  
22 person who distributes ivermectin pursuant to the bill shall  
23 not be subject to professional discipline or civil or criminal  
24 penalties.

25 DIVISION V — SCHOOL FOODS AND BEVERAGES. The bill prohibits  
26 school districts, certain charter schools, and innovation zone  
27 schools from serving meals to students as part of the school's  
28 breakfast or lunch program that contain blue dye 1, blue dye  
29 2, green dye 3, potassium bromate, propylparaben, red dye 40,  
30 yellow dye 5, or yellow dye 6, unless the foods or beverages in  
31 the meal were received as part of a direct delivery from the  
32 foods in schools program of the United States department of  
33 agriculture. The bill also prohibits schools from permitting  
34 the sale to students of any foods or beverages that contain  
35 such ingredients on school campus unless the sale takes place

1 after the end of the school day. The bill requires nonpublic  
2 schools that use moneys appropriated by the general assembly  
3 to provide breakfast or lunch to students to ensure that the  
4 meals comply with the same prohibition on ingredients as school  
5 districts.

6 This division of the bill applies to school years beginning  
7 on or after July 1, 2027.

8 DIVISION VI — PSYCHOLOGY INTERJURISDICTIONAL COMPACT. The  
9 bill creates an interstate compact to allow psychologists from  
10 other states to practice telepsychology with patients living  
11 in Iowa, to practice “face-to-face” psychology on a temporary  
12 basis in Iowa, and to allow Iowa psychologists to practice  
13 telepsychology with patients in other states. The compact  
14 is intended to authorize regulatory authorities to afford  
15 legal recognition, in a manner consistent with the terms of  
16 the compact, to psychologists licensed in another state. The  
17 compact does not apply when a psychologist is licensed in both  
18 the “home” and “receiving” states. A commission is created to  
19 oversee the compact, which is effective upon the enactment into  
20 law by the seventh compact state.

21 DIVISION VII — CIGARETTE TAXATION. The bill raises the  
22 cigarette tax from 6.8 cents per cigarette to 10.05 cents  
23 per cigarette. The overall tax on a pack of cigarettes (20  
24 cigarettes) goes from \$1.36 to \$2.01.

25 The bill also raises the tax on loose tobacco products  
26 inserted into a vending machine from which assembled cigarettes  
27 are dispensed. The tax is increased from 3.06 cents on each  
28 cigarette dispensed from the vending machine to 4.52 cents.

29 By increasing the cigarette tax in the bill, the inventory  
30 tax is also assessed on cigarettes remaining in inventories  
31 taxed under the previous tax rate that is equal to the  
32 difference between the previous tax rate and the new tax rate.

33 Code section 453A.35 specifies that revenues from the tax  
34 on cigarettes are deposited into the health care trust fund  
35 created in Code section 453A.35A.

1 DIVISION VIII — TAX ON TOBACCO PRODUCTS. Currently, a  
2 tax is imposed on the distributor of all tobacco products  
3 (excluding cigarettes, little cigars, and snuff) at a rate of  
4 22 percent of the wholesale sales price under Code section  
5 453A.43(1)(a) and at a rate of 28 percent under Code section  
6 453A.43(1)(b) for a combined rate of 50 percent tax on the  
7 wholesale sales price. The bill combines the 22 percent rate  
8 and the 28 percent rate and raises the tax on tobacco products  
9 from the combined rate of 50 percent to 55 percent of the  
10 wholesale sales price.

11 Currently, the tax on cigars is capped at 50 cents per cigar.  
12 The bill raises the cap on the tax on cigars to 55 cents to  
13 match the percentage increase of the other tax increases within  
14 Code section 453A.43(1).

15 The bill changes the tax on snuff to match the tax on other  
16 tobacco products within Code section 453A.43(1) by taxing snuff  
17 at 55 percent of the wholesale price rather than taxing snuff  
18 at a rate of \$1.19 per ounce.

19 By increasing the tax on the wholesale sales price of tobacco  
20 products in the bill, the inventory tax is assessed on any  
21 tobacco products remaining in inventories taxed under the  
22 previous tax rate that is equal to the difference between the  
23 previous tax rate and the new tax rate.

24 Code section 453A.35 specifies that revenues from the tax on  
25 tobacco products are deposited into the health care trust fund  
26 created in Code section 453A.35A.

27 The bill also makes other conforming changes to Code section  
28 453A.43.

29 DIVISION IX — EXCISE TAX ON VAPOR PRODUCTS. The bill  
30 creates an excise tax on vapor products at a rate of 15 percent  
31 on the sales price from the retail sale, including a delivery  
32 sale, of vapor products to consumers. The excise tax is in  
33 addition to any other tax imposed by law. The excise tax shall  
34 be collected at the point of sale from the consumer. The  
35 bill requires the director of revenue to administer the vapor

1 product excise tax as nearly as possible in conjunction with  
2 the administration of the state sales and use tax law, except  
3 that portion of the law that implements the streamlined sales  
4 and use tax agreement. The bill deposits all revenues raised  
5 from the vapor products excise tax into the health care trust  
6 fund created in Code section 453A.35A. The bill requires the  
7 department to adopt rules to administer the new excise tax.

8 The bill makes other conforming changes to implement the new  
9 tax.

10 DIVISION X — EXCISE TAX ON CONSUMABLE HEMP PRODUCTS. The  
11 bill creates an excise tax on consumable hemp products at a  
12 rate of 15 percent on the sales price from the retail sale,  
13 including a delivery sale, of consumable hemp products to  
14 consumers. The excise tax is in addition to any other tax  
15 imposed by law. The bill requires the department to adopt  
16 rules to administer the new excise tax. The bill requires  
17 the director of revenue to administer the consumable hemp  
18 excise tax as nearly as possible in conjunction with the  
19 administration of the state sales and use tax law, except that  
20 portion of the law that implements the streamlined sales and  
21 use tax agreement. The bill deposits all revenues raised from  
22 the consumable hemp excise tax into the health care trust fund  
23 created in Code section 453A.35A.