

House Study Bill 771 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
APPROPRIATIONS BILL BY
CHAIRPERSON MOHR)

A BILL FOR

1 An Act relating to and making appropriations for state
2 government administration and regulation, including the
3 department of administrative services, auditor of state,
4 ethics and campaign disclosure board, offices of governor
5 and lieutenant governor, department of inspections, appeals,
6 and licensing, department of insurance and financial
7 services, department of management, Iowa public employees'
8 retirement system, public information board, department
9 of revenue, secretary of state, treasurer of state, and
10 utilities commission.
11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

FY 2026-2027 APPROPRIATIONS

Section 1. DEPARTMENT OF ADMINISTRATIVE SERVICES.

1. There is appropriated from the general fund of the state to the department of administrative services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	3,602,306
.....	FTEs	50.00

b. For the payment of utility costs, and for not more than the following full-time equivalent positions:

.....	\$	4,487,598
.....	FTEs	1.00

Notwithstanding section 8.33, moneys appropriated for utility costs in this lettered paragraph that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

c. For Terrace Hill operations, and for not more than the following full-time equivalent positions:

.....	\$	460,884
.....	FTEs	4.37

d. For state library services:

(1) For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	2,626,613
.....	FTEs	19.00

(2) For the enrich Iowa program established under section 8A.209:

1 \$ 2,464,823

2 e. (1) For support of the state's historical resources, and
3 for not more than the following full-time equivalent positions:

4 \$ 3,804,774

5 FTEs 37.00

6 (2) The department shall coordinate historical and cultural
7 activities with the tourism office of the economic development
8 authority to promote attendance at the state historical
9 building and at the state's historic sites.

10 f. For administration and support of the state's historic
11 sites, and for not more than the following full-time equivalent
12 positions:

13 \$ 425,751

14 FTEs 3.00

15 2. Any moneys and premiums collected by the department
16 for workers' compensation shall be segregated into a separate
17 workers' compensation fund in the state treasury to be used
18 for payment of state employees' workers' compensation claims
19 and administrative costs. Notwithstanding [section 8.33](#),
20 unencumbered or unobligated moneys remaining in this workers'
21 compensation fund at the end of the fiscal year shall not
22 revert but shall remain available for expenditure for purposes
23 of the fund in subsequent fiscal years.

24 Sec. 2. DEPARTMENT OF ADMINISTRATIVE SERVICES —
25 REVOLVING FUNDS. There is appropriated to the department of
26 administrative services for the fiscal year beginning July
27 1, 2026, and ending June 30, 2027, from the revolving funds
28 designated in [chapter 8A](#) and from internal service funds
29 created by the department such amounts as the department deems
30 necessary for the operation of the department consistent with
31 the requirements of [chapter 8A](#).

32 Sec. 3. DEPARTMENT OF ADMINISTRATIVE SERVICES — STATE
33 EMPLOYEE HEALTH INSURANCE ADMINISTRATION CHARGE. For the
34 fiscal year beginning July 1, 2026, and ending June 30, 2027,
35 the monthly per contract administrative charge which may be

1 assessed by the department of administrative services shall be
2 \$2.00 per contract on all health insurance plans administered
3 by the department.

4 Sec. 4. AUDITOR OF STATE.

5 1. There is appropriated from the general fund of the state
6 to the office of the auditor of state for the fiscal year
7 beginning July 1, 2026, and ending June 30, 2027, the following
8 amount, or so much thereof as is necessary, to be used for the
9 purposes designated:

10 For salaries, support, maintenance, and miscellaneous
11 purposes, and for not more than the following full-time
12 equivalent positions:

13	\$	1,002,686
14	FTEs	98.00

15 2. The auditor of state may retain additional full-time
16 equivalent positions as is reasonable and necessary to
17 perform governmental subdivision audits which are reimbursable
18 pursuant to [section 11.20](#) or [11.21](#), to perform audits which are
19 requested by and reimbursable from the federal government, and
20 to perform work requested by and reimbursable from departments
21 or agencies pursuant to [section 11.5A](#) or [11.5B](#). The auditor
22 of state shall notify the department of management, the
23 legislative fiscal committee, and the legislative services
24 agency of the additional full-time equivalent positions
25 retained.

26 3. The auditor of state shall allocate moneys from the
27 appropriation in this section solely for audit work related to
28 the annual comprehensive financial report, federally required
29 audits, and investigations of embezzlement, theft, or other
30 significant financial irregularities until the audit of the
31 annual comprehensive financial report is complete.

32 Sec. 5. IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD. There
33 is appropriated from the general fund of the state to the
34 Iowa ethics and campaign disclosure board for the fiscal year
35 beginning July 1, 2026, and ending June 30, 2027, the following

1 amount, or so much thereof as is necessary, to be used for the
2 purposes designated:

3 For salaries, support, maintenance, and miscellaneous
4 purposes, and for not more than the following full-time
5 equivalent positions:

6	\$	1,045,432
7	FTEs	7.00

8 Sec. 6. GOVERNOR AND LIEUTENANT GOVERNOR. There is
9 appropriated from the general fund of the state to the offices
10 of the governor and the lieutenant governor for the fiscal year
11 beginning July 1, 2026, and ending June 30, 2027, the following
12 amounts, or so much thereof as is necessary, to be used for the
13 purposes designated:

14 1. GENERAL OFFICE

15 For salaries, support, maintenance, and miscellaneous
16 purposes, and for not more than the following full-time
17 equivalent positions:

18	\$	2,864,932
19	FTEs	25.00

20 2. TERRACE HILL QUARTERS

21 For the governor's quarters at Terrace Hill, including
22 salaries, support, maintenance, and miscellaneous purposes, and
23 for not more than the following full-time equivalent positions:

24	\$	144,222
25	FTEs	2.00

26 Sec. 7. DEPARTMENT OF INSPECTIONS, APPEALS, AND
27 LICENSING. There is appropriated from the general fund of the
28 state to the department of inspections, appeals, and licensing
29 for the fiscal year beginning July 1, 2026, and ending June
30 30, 2027, the following amounts, or so much thereof as is
31 necessary, to be used for the purposes designated:

32 1. ADMINISTRATION DIVISION

33 For salaries, support, maintenance, and miscellaneous
34 purposes, and for not more than the following full-time
35 equivalent positions:

1 \$ 808,285

2 FTEs 11.55

3 2. ADMINISTRATIVE HEARINGS DIVISION

4 For salaries, support, maintenance, and miscellaneous
5 purposes, and for not more than the following full-time
6 equivalent positions:

7 \$ 654,983

8 FTEs 23.00

9 3. INVESTIGATIONS

10 a. For salaries, support, maintenance, and miscellaneous
11 purposes, and for not more than the following full-time
12 equivalent positions:

13 \$ 2,769,231

14 FTEs 56.00

15 b. By December 1, 2026, the department shall submit a
16 report to the general assembly concerning the department's
17 activities relative to fraud in public assistance programs for
18 the fiscal year beginning July 1, 2025, and ending June 30,
19 2026. The report must include but is not limited to a summary
20 of the number of cases investigated, case outcomes, overpayment
21 dollars identified, amount of cost avoidance, and actual
22 dollars recovered.

23 4. HEALTH FACILITIES

24 a. For salaries, support, maintenance, and miscellaneous
25 purposes, and for not more than the following full-time
26 equivalent positions:

27 \$ 6,206,128

28 FTEs 132.00

29 b. The department shall make all of the following
30 information available to the public as part of the department's
31 development efforts to revise the department's internet site:

32 (1) The number of inspections of health facilities
33 conducted by the department annually by type of service
34 provider and type of inspection.

35 (2) The total annual operations budget for the department

1 that is associated with health facilities regulation, including
2 general fund appropriations and federal contract dollars
3 received by type of service provider inspected.

4 (3) The total number of full-time equivalent positions
5 in the department that are associated with health facilities
6 regulation, to include the number of full-time equivalent
7 positions serving in a supervisory capacity, and serving as
8 surveyors, inspectors, or monitors in the field by type of
9 service provider inspected.

10 (4) Identification of state and federal survey trends,
11 cited regulations, the scope and severity of deficiencies
12 identified, and federal and state fines assessed and collected
13 concerning nursing and assisted living facilities and programs.

14 c. It is the intent of the general assembly that the
15 department continuously solicit input from health facilities
16 regulated by the department to assess and improve the
17 department's level of collaboration and to identify new
18 opportunities for cooperation.

19 5. EMPLOYMENT APPEAL BOARD

20 a. For salaries, support, maintenance, and miscellaneous
21 purposes, and for not more than the following full-time
22 equivalent positions:

23	\$	510,782
24	FTEs	11.00

25 b. The employment appeal board shall be reimbursed by the
26 department for all costs associated with hearings conducted
27 under [chapter 91C](#) related to contractor registration. The
28 board may expend, in addition to the amount appropriated under
29 this subsection, additional amounts as are directly billable
30 to the department under this subsection and to retain the
31 additional full-time equivalent positions as needed to conduct
32 hearings required pursuant to [chapter 91C](#).

33 c. The employment appeal board may temporarily exceed and
34 draw more than the amount appropriated in this subsection and
35 incur a negative cash balance as long as there are receivables

1 of federal funds equal to or greater than the negative balance
2 and the amount appropriated in this subsection is not exceeded
3 at the close of the fiscal year.

4 6. IOWA OFFICE OF CIVIL RIGHTS

5 a. For salaries, support, maintenance, and miscellaneous
6 purposes, and for not more than the following full-time
7 equivalent positions:

8	\$	1,538,921
9	FTEs	30.00

10 b. The Iowa office of civil rights may enter into a contract
11 with a nonprofit organization to provide legal assistance to
12 resolve civil rights complaints.

13 7. LABOR SERVICES

14 a. For salaries, support, maintenance, and miscellaneous
15 purposes, and for not more than the following full-time
16 equivalent positions:

17	\$	2,965,719
18	FTEs	50.00

19 b. Notwithstanding [section 8.33](#), moneys appropriated in
20 this subsection that remain unencumbered or unobligated at the
21 close of the fiscal year shall not revert but shall remain
22 available for expenditure for the purposes designated until the
23 close of the succeeding fiscal year.

24 8. DIVISION OF WORKERS' COMPENSATION

25 a. For salaries, support, maintenance, and miscellaneous
26 purposes, and for not more than the following full-time
27 equivalent positions:

28	\$	3,381,044
29	FTEs	26.00

30 b. Notwithstanding [section 8.33](#), moneys appropriated in
31 this subsection that remain unencumbered or unobligated at the
32 close of the fiscal year shall not revert but shall remain
33 available for expenditure for the purposes designated until the
34 close of the succeeding fiscal year.

35 9. PROFESSIONAL LICENSING

1 For salaries, support, maintenance, and miscellaneous
2 purposes, and for not more than the following full-time
3 equivalent positions:

4	\$	1,627,969
5	FTEs	139.00

6 10. APPROPRIATION REALLOCATION

7 Notwithstanding section 8.39, the department of inspections,
8 appeals, and licensing, in consultation with the department of
9 management, may reallocate moneys appropriated in this section
10 as necessary to best fulfill the needs of the department
11 of inspections, appeals, and licensing provided for in the
12 appropriation. However, the department of inspections,
13 appeals, and licensing shall not reallocate moneys appropriated
14 for labor services or the division of workers' compensation.

15 Sec. 8. DEPARTMENT OF INSPECTIONS, APPEALS, AND LICENSING
16 — LICENSE OR REGISTRATION FEES.

17 1. For the fiscal year beginning July 1, 2026, and ending
18 June 30, 2027, the department of inspections, appeals, and
19 licensing shall collect any license or registration fees or
20 electronic transaction fees generated during the fiscal year
21 as a result of licensing and registration activities under
22 chapters 99B, 137C, 137D, and 137F.

23 2. From the fees collected by the department under this
24 section on behalf of a municipal corporation with which
25 the department has an agreement pursuant to section 137F.3,
26 through a statewide electronic licensing system operated by
27 the department, notwithstanding section 137F.6, subsection 2,
28 the department shall remit the amount of those fees to the
29 municipal corporation for whom the fees were collected less
30 any electronic transaction fees collected by the department to
31 enable electronic payment.

32 3. From the fees collected by the department under this
33 section, other than those fees described in subsection 2,
34 the department shall deposit the amount of \$290,435 into the
35 general fund of the state prior to June 30, 2027.

1 4. From the fees collected by the department under this
 2 section, other than those fees described in subsections 2 and
 3 3, the department shall retain the remainder of the fees for
 4 the purposes of enforcing the provisions of chapters 99B, 137C,
 5 137D, and 137F. Notwithstanding section 8.33, moneys retained
 6 by the department pursuant to this subsection that remain
 7 unencumbered or unobligated at the close of the fiscal year
 8 shall not revert but shall remain available for expenditure
 9 for the purposes of enforcing the provisions of chapters 99B,
 10 137C, 137D, and 137F during the succeeding fiscal year. The
 11 department shall provide an annual report to the department
 12 of management and the legislative services agency on fees
 13 billed and collected and expenditures from the moneys retained
 14 by the department in a format determined by the department
 15 of management in consultation with the legislative services
 16 agency.

17 Sec. 9. DEPARTMENT OF INSPECTIONS, APPEALS, AND LICENSING
 18 — RACING AND GAMING COMMISSION — RACING AND GAMING
 19 REGULATION. There is appropriated from the gaming regulatory
 20 revolving fund created in section 99F.20 to the racing and
 21 gaming commission of the department of inspections, appeals,
 22 and licensing for the fiscal year beginning July 1, 2026, and
 23 ending June 30, 2027, the following amount, or so much thereof
 24 as is necessary, to be used for the purposes designated:

25 For salaries, support, maintenance, and miscellaneous
 26 purposes for regulation, administration, and enforcement of
 27 pari-mutuel racetracks, excursion boat gambling, gambling
 28 structure laws, sports wagering, and fantasy sports contests,
 29 and for not more than the following full-time equivalent
 30 positions:

31	\$	8,049,999
32	FTEs	57.70

33 Sec. 10. DEPARTMENT OF INSPECTIONS, APPEALS, AND LICENSING
 34 — ROAD USE TAX FUND. There is appropriated from the road
 35 use tax fund created in section 312.1 to the administrative

1 hearings division of the department of inspections, appeals,
2 and licensing for the fiscal year beginning July 1, 2026, and
3 ending June 30, 2027, the following amount, or so much thereof
4 as is necessary, to be used for the purposes designated:

5 For salaries, support, maintenance, and miscellaneous
6 purposes:

7 \$ 1,623,897

8 Sec. 11. DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
9 — COMMERCE REVOLVING FUND. There is appropriated from the
10 commerce revolving fund created in [section 546.12](#) to the
11 department of insurance and financial services for the fiscal
12 year beginning July 1, 2026, and ending June 30, 2027, the
13 following amounts, or so much thereof as is necessary, to be
14 used for the purposes designated:

15 1. BANKING DIVISION

16 For salaries, support, maintenance, and miscellaneous
17 purposes, and for not more than the following full-time
18 equivalent positions:

19 \$ 14,881,690

20 FTEs 79.00

21 2. CREDIT UNION DIVISION

22 For salaries, support, maintenance, and miscellaneous
23 purposes, and for not more than the following full-time
24 equivalent positions:

25 \$ 3,018,710

26 FTEs 16.00

27 3. INSURANCE DIVISION

28 a. For salaries, support, maintenance, and miscellaneous
29 purposes, and for not more than the following full-time
30 equivalent positions:

31 \$ 11,010,719

32 FTEs 131.85

33 b. The insurance division expenditures for examination
34 purposes may exceed the projected receipts, refunds, and
35 reimbursements, estimated pursuant to section 505.7, subsection

1 7, including the expenditures for retention of additional
2 personnel, if the expenditures are fully reimbursable and the
3 division first does all of the following:

4 (1) Notifies the department of management, the legislative
5 services agency, and the legislative fiscal committee of the
6 need for the expenditures.

7 (2) Files with each of the entities named in subparagraph
8 (1) the legislative and regulatory justification for the
9 expenditures, along with an estimate of the expenditures.

10 Sec. 12. DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES —
11 GENERAL FUND. There is appropriated from the general fund of
12 the state to the department of insurance and financial services
13 for the fiscal year beginning July 1, 2026, and ending June 30,
14 2027, the following amount, or so much thereof as is necessary,
15 to be used for the purposes designated:

16 For deposit in the captive insurance regulatory and
17 supervision fund created in [section 521J.12](#) for use as provided
18 in [section 521J.12](#), including salaries, support, maintenance,
19 and miscellaneous purposes, and for not more than the following
20 full-time equivalent positions:

21	\$	450,000
22	FTEs	2.00

23 Sec. 13. DEPARTMENT OF MANAGEMENT. There is appropriated
24 from the general fund of the state to the department of
25 management for the fiscal year beginning July 1, 2026, and
26 ending June 30, 2027, the following amounts, or so much thereof
27 as is necessary, to be used for the purposes designated:

28 1. For enterprise resource planning, providing for a
29 salary model administrator, conducting performance audits, the
30 department's LEAN process, and criminal and juvenile justice
31 planning; for salaries, support, maintenance, and miscellaneous
32 purposes; and for not more than the following full-time
33 equivalent positions:

34	\$	3,666,154
35	FTEs	29.00

1 2. a. For the division of information technology; for
2 salaries, support, maintenance, and miscellaneous purposes; and
3 for not more than the following full-time equivalent positions:
4 \$ 4,421,887
5 FTEs 24.39

6 b. Of the moneys appropriated in this subsection, \$325,000
7 is allocated to providing cybersecurity services to local
8 governments.

9 Sec. 14. DEPARTMENT OF MANAGEMENT — INFORMATION TECHNOLOGY
10 — REVOLVING AND INTERNAL FUNDS.

11 1. There is appropriated to the department of management
12 for the fiscal year beginning July 1, 2026, and ending June
13 30, 2027, from the revolving funds designated in chapter 8,
14 subchapter XI, and from internal service funds created under
15 section 8.92, such amounts as the department deems necessary
16 for the operation of the department pursuant to and consistent
17 with the requirements of [chapter 8, subchapter XI](#).

18 2. a. Notwithstanding [section 321A.3, subsection 1](#), for the
19 fiscal year beginning July 1, 2026, and ending June 30, 2027,
20 the first \$750,000 collected and transferred to the treasurer
21 of state with respect to the fees for transactions involving
22 the furnishing of a certified abstract of a vehicle operating
23 record under [section 321A.3, subsection 1](#), shall be transferred
24 to the IowAccess revolving fund created in [section 8.90](#) for
25 the purposes of developing, implementing, maintaining, and
26 expanding electronic access to government records as provided
27 by law.

28 b. All fees collected with respect to transactions
29 involving IowAccess shall be deposited in the IowAccess
30 revolving fund created under [section 8.90](#) and shall be used
31 only for the support of IowAccess projects.

32 Sec. 15. DEPARTMENT OF MANAGEMENT — ROAD USE TAX
33 FUND. There is appropriated from the road use tax fund created
34 in [section 312.1](#) to the department of management for the fiscal
35 year beginning July 1, 2026, and ending June 30, 2027, the

1 following amount, or so much thereof as is necessary, to be
2 used for the purposes designated:

3 For salaries, support, maintenance, and miscellaneous
4 purposes:

5 \$ 56,000

6 Sec. 16. IPERS — GENERAL OFFICE. There is appropriated
7 from the Iowa public employees' retirement fund created in
8 section 97B.7 to the Iowa public employees' retirement system
9 for the fiscal year beginning July 1, 2026, and ending June 30,
10 2027, the following amount, or so much thereof as is necessary,
11 to be used for the purposes designated:

12 For salaries, support, maintenance, and other operational
13 purposes to pay the costs of the Iowa public employees'
14 retirement system, and for not more than the following
15 full-time equivalent positions:

16 \$ 26,330,702

17 FTEs 110.00

18 Sec. 17. IOWA PUBLIC INFORMATION BOARD. There is
19 appropriated from the general fund of the state to the Iowa
20 public information board for the fiscal year beginning July
21 1, 2026, and ending June 30, 2027, the following amount, or
22 so much thereof as is necessary, to be used for the purposes
23 designated:

24 For salaries, support, maintenance, and miscellaneous
25 purposes, and for not more than the following full-time
26 equivalent positions:

27 \$ 496,227

28 FTEs 4.00

29 Sec. 18. DEPARTMENT OF REVENUE.

30 1. There is appropriated from the general fund of the state
31 to the department of revenue for the fiscal year beginning July
32 1, 2026, and ending June 30, 2027, the following amount, or
33 so much thereof as is necessary, to be used for the purposes
34 designated:

35 a. For salaries, support, maintenance, and miscellaneous

1 purposes, and for not more than the following full-time
2 equivalent positions:

3 \$ 15,349,678
4 FTEs 166.66

5 b. From the moneys appropriated in this subsection, the
6 department shall use \$400,000 to pay the direct costs of
7 compliance related to the collection and distribution of local
8 sales and services taxes imposed pursuant to [chapter 423B](#).

9 2. The director of revenue shall prepare and issue a state
10 appraisal manual and the revisions to the state appraisal
11 manual as provided in [section 421.17, subsection 17](#), without
12 cost to a city or county.

13 Sec. 19. DEPARTMENT OF REVENUE — MOTOR VEHICLE FUEL TAX
14 FUND. There is appropriated from the motor vehicle fuel tax
15 fund created pursuant to [section 452A.77](#) to the department of
16 revenue for the fiscal year beginning July 1, 2026, and ending
17 June 30, 2027, the following amount, or so much thereof as is
18 necessary, to be used for the purposes designated:

19 For salaries, support, maintenance, and miscellaneous
20 purposes, and for administration and enforcement of the
21 provisions of [chapter 452A](#) and the motor vehicle fuel tax
22 program:

23 \$ 1,305,775

24 Sec. 20. SECRETARY OF STATE. There is appropriated from
25 the general fund of the state to the office of the secretary of
26 state for the fiscal year beginning July 1, 2026, and ending
27 June 30, 2027, the following amounts, or so much thereof as is
28 necessary, to be used for the purposes designated:

29 1. ADMINISTRATION AND ELECTIONS

30 a. For salaries, support, maintenance, and miscellaneous
31 purposes, and for not more than the following full-time
32 equivalent positions:

33 \$ 2,566,697
34 FTEs 19.25

35 b. The state department or agency that provides data

1 processing services to support voter registration file
2 maintenance and storage shall provide those services without
3 charge.

4 2. BUSINESS SERVICES

5 For salaries, support, maintenance, and miscellaneous
6 purposes, and for not more than the following full-time
7 equivalent positions:

8	\$	1,568,795
9	FTEs	16.75

10 Sec. 21. SECRETARY OF STATE — ADDRESS CONFIDENTIALITY
11 PROGRAM REVOLVING FUND. There is appropriated from the address
12 confidentiality program revolving fund created in [section 9.8](#)
13 to the office of the secretary of state for the fiscal year
14 beginning July 1, 2026, and ending June 30, 2027, the following
15 amount, or so much thereof as is necessary, to be used for the
16 purposes designated:

17 For salaries, support, maintenance, and miscellaneous
18 purposes:

19	\$	195,400
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20 Sec. 22. SECRETARY OF STATE FILING FEES REFUND.
21 Notwithstanding the obligation to collect fees pursuant to the
22 provisions of [section 489.122, subsection 1](#), paragraphs "c" and
23 "s", [section 490.122, subsection 1](#), paragraph "a", and section
24 504.113, subsection 1, paragraphs "a", "c", "d", "j", "k",
25 "l", and "m", for the fiscal year beginning July 1, 2026, the
26 secretary of state may refund these fees to the filer pursuant
27 to rules established by the secretary of state. The decision
28 of the secretary of state not to issue a refund under rules
29 established by the secretary of state is final and not subject
30 to review pursuant to [chapter 17A](#).

31 Sec. 23. TREASURER OF STATE.

32 1. There is appropriated from the general fund of the
33 state to the office of treasurer of state for the fiscal year
34 beginning July 1, 2026, and ending June 30, 2027, the following
35 amounts, or so much thereof as is necessary, to be used for the

1 purposes designated:

2 a. For salaries, support, maintenance, and miscellaneous
3 purposes, and for not more than the following full-time
4 equivalent positions:

5 \$ 1,046,415
6 FTEs 28.00

7 b. For deposit in the administrative fund of the Iowa ABLE
8 savings plan trust created in section 12I.4, for implementation
9 and administration activities of the Iowa ABLE savings plan
10 trust:

11 \$ 200,000

12 2. The office of treasurer of state shall supply
13 administrative support for the executive council.

14 Sec. 24. TREASURER OF STATE — ROAD USE TAX FUND. There
15 is appropriated from the road use tax fund created in section
16 312.1 to the office of treasurer of state for the fiscal year
17 beginning July 1, 2026, and ending June 30, 2027, the following
18 amount, or so much thereof as is necessary, to be used for the
19 purposes designated:

20 For enterprise resource management costs related to the
21 distribution of road use tax fund moneys:

22 \$ 316,788

23 Sec. 25. IOWA UTILITIES COMMISSION.

24 1. There is appropriated from the commerce revolving fund
25 created in [section 546.12](#) to the Iowa utilities commission for
26 the fiscal year beginning July 1, 2026, and ending June 30,
27 2027, the following amount, or so much thereof as is necessary,
28 to be used for the purposes designated:

29 For salaries, support, maintenance, and miscellaneous
30 purposes, and for not more than the following full-time
31 equivalent positions:

32 \$ 12,080,831
33 FTEs 80.00

34 2. The Iowa utilities commission may expend additional
35 moneys, including moneys for additional personnel, if those

1 additional expenditures are actual expenses which exceed the
2 moneys budgeted for utility regulation and the expenditures are
3 fully reimbursable. Before the commission expends or encumbers
4 an amount in excess of the moneys budgeted for regulation, the
5 commission shall first do all of the following:

6 a. Notify the department of management, the legislative
7 services agency, and the legislative fiscal committee of the
8 need for the expenditures.

9 b. File with each of the entities named in paragraph "a" the
10 legislative and regulatory justification for the expenditures,
11 along with an estimate of the expenditures.

12 Sec. 26. CHARGES — IOWA UTILITIES COMMISSION AND
13 DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES. The Iowa
14 utilities commission and each division of the department of
15 insurance and financial services shall include in its charges
16 assessed or revenues generated an amount sufficient to cover
17 the amount stated in its appropriation and any state-assessed
18 indirect costs determined by the department of administrative
19 services.

20 Sec. 27. IOWA PRODUCTS. As a condition of receiving an
21 appropriation, any agency appropriated moneys pursuant to
22 this division of this Act shall give first preference when
23 purchasing a product to an Iowa product or a product produced
24 by an Iowa-based business, and shall give second preference to
25 a United States product or a product produced by a business
26 based in the United States.

27 Sec. 28. LIMITATION OF STANDING APPROPRIATION.
28 Notwithstanding the standing appropriation in the following
29 designated section for the fiscal year beginning July 1, 2026,
30 and ending June 30, 2027, the amount appropriated from the
31 general fund of the state pursuant to that section for the
32 following designated purpose shall not exceed the following
33 amount:

34 For the enforcement of [chapter 453D](#) relating to tobacco
35 product manufacturers under [section 453D.8](#):

1 \$ 17,525

2 DIVISION II

3 DEPOSIT OF CERTAIN FEES

4 Sec. 29. Section 10A.519, subsection 3, Code 2026, is
5 amended by adding the following new paragraph:

6 NEW PARAGRAPH. *c.* The fees collected by the director
7 under this subsection shall be deposited in the licensing and
8 regulation fund created in section 10A.507.

9 Sec. 30. Section 10A.519, subsection 7, Code 2026, is
10 amended to read as follows:

11 7. ~~*a.* A consumer fireworks fee fund is created in the state
12 treasury under the control of the director. Notwithstanding
13 section 12C.7, interest or earnings on moneys in the consumer
14 fireworks fee fund shall be credited to the consumer fireworks
15 fee fund. Moneys in the fund are appropriated to the director
16 to be used to fulfill the responsibilities of the director for
17 the administration and enforcement of this section and section
18 10A.520 and to provide grants pursuant to paragraph "b". The
19 fund shall include the fees collected by the director under the
20 fee schedule established pursuant to subsection 3 and the fees
21 collected by the director under section 10A.520 for wholesaler
22 registration.~~

23 ~~*b.* The director shall establish a local fire protection and
24 emergency medical service providers grant program to provide
25 grants in the following order of priority:~~

26 ~~{1} a. Local fire protection service providers and
27 local emergency medical service providers to establish or
28 provide fireworks safety education programming to members of
29 the public, and for the purchase of necessary enforcement,
30 protection, or emergency response equipment related to the sale
31 and use of consumer fireworks in this state.~~

32 ~~{2} b. Local volunteer fire protection service providers
33 for the purchase of necessary enforcement, protection, or
34 emergency response equipment.~~

35 Sec. 31. Section 10A.520, subsection 3, Code 2026, is

1 amended to read as follows:

2 3. The director shall establish an annual registration fee
3 of one thousand dollars for wholesalers of consumer fireworks
4 within the state. Registration fees collected pursuant to
5 this section shall be deposited in the ~~consumer fireworks fee~~
6 ~~fund created in [section 10A.519](#)~~ licensing and regulation fund
7 created in section 10A.507.

8 Sec. 32. Section 90A.10, subsection 1, Code 2026, is amended
9 to read as follows:

10 1. Moneys collected pursuant to [section 90A.9](#) from a
11 professional boxing event are ~~appropriated to the department~~
12 ~~of inspections, appeals, and licensing~~ and shall be used by
13 ~~the commissioner to award grants to organizations that promote~~
14 ~~amateur boxing matches in this state~~ deposited in the licensing
15 and regulation fund created in section 10A.507. All other
16 moneys collected by the commissioner pursuant to [this chapter](#)
17 are appropriated to the department of inspections, appeals, and
18 licensing and shall be used by the commissioner to administer
19 this chapter. [Section 8.33](#) applies only to moneys in excess
20 of the first twenty thousand dollars appropriated each fiscal
21 year.

22 Sec. 33. Section 99B.58, Code 2026, is amended to read as
23 follows:

24 **99B.58 Electrical or mechanical amusement devices — special**
25 **fund deposit of fees.**

26 Fees collected by the department pursuant to sections
27 99B.53 and [99B.56](#) shall be deposited in a ~~special fund created~~
28 ~~in the state treasury. Moneys in the fund are appropriated~~
29 ~~to the department of inspections, appeals, and licensing~~
30 ~~and the department of public safety for administration and~~
31 ~~enforcement of [this subchapter](#), including employment of~~
32 ~~necessary personnel. The distribution of moneys in the fund~~
33 ~~to the department of inspections, appeals, and licensing and~~
34 ~~the department of public safety shall be pursuant to a written~~
35 ~~policy agreed upon by the departments. Notwithstanding section~~

1 ~~12C.7, subsection 2, interest or earnings on moneys deposited~~
2 ~~in the fund shall be credited to the fund. Notwithstanding~~
3 ~~section 8.33, moneys remaining in the fund at the end of a~~
4 ~~fiscal year shall not revert to the general fund of the state~~
5 ~~the licensing and regulation fund created in section 10A.507.~~

6 Sec. 34. Section 505.7, subsection 3, Code 2026, is amended
7 to read as follows:

8 3. ~~Forty percent of the nonexamination~~ Nonexamination
9 revenues payable to the division of insurance or the department
10 of revenue in connection with the regulation of insurance
11 companies or other entities subject to the regulatory
12 jurisdiction of the division shall be deposited in the commerce
13 revolving fund created in section 546.12 and shall be subject
14 to annual appropriation to the division for its operations
15 and is also subject to expenditure under subsection 6. ~~The~~
16 ~~remaining nonexamination revenues payable to the division of~~
17 ~~insurance or the department of revenue shall be deposited in~~
18 ~~the general fund of the state.~~

19 Sec. 35. TRANSFER OF MONEYS. On the effective date of
20 this division of this Act, unencumbered and unobligated moneys
21 remaining in the consumer fireworks fee fund created in section
22 10A.519, Code 2026, and the special fund created in section
23 99B.58, Code 2026, shall be transferred to the licensing and
24 regulation fund created in section 10A.507.

25 EXPLANATION

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

28 FY 2026-2027 APPROPRIATIONS. This bill relates to and
29 appropriates moneys to various state departments, agencies,
30 and funds for FY 2026-2027, including the department of
31 administrative services, auditor of state, Iowa ethics and
32 campaign disclosure board, offices of governor and lieutenant
33 governor, department of inspections, appeals, and licensing,
34 department of insurance and financial services, department of
35 management, Iowa public employees' retirement system, Iowa

1 public information board, department of revenue, secretary of
2 state, treasurer of state, and Iowa utilities commission.

3 The bill limits a standing appropriation for FY 2026-2027
4 for enforcement of Code chapter 453D relating to tobacco
5 product manufacturers under Code section 453D.8.

6 DEPOSIT OF CERTAIN FEES. The bill eliminates the consumer
7 fireworks fee fund and the electrical or mechanical amusement
8 devices special fund and requires the moneys that were
9 deposited in those funds to be deposited in the licensing
10 and regulation fund. The bill also eliminates the provision
11 requiring moneys collected from a professional boxing event to
12 be used to award grants to organizations that promote amateur
13 boxing matches and requires the moneys to be deposited in the
14 licensing and regulation fund.

15 Under current law, 40 percent of nonexamination revenues
16 paid to the insurance division or the department of revenue are
17 deposited in the commerce revolving fund, while the rest of the
18 nonexamination revenues are deposited in the general fund of
19 the state. The bill requires all such nonexamination revenues
20 to be deposited in the commerce revolving fund.