Senate File 2473 - Introduced

A BILL FOR

1 An Act relating to matters under the purview of the
2   department of management, and including effective date and
3   applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1   Section 1. Section 8.57C, subsections 2, 3, and 4, Code
2 2026, are amended to read as follows:
3   2. Moneys in the fund in a fiscal year shall be used as
4 appropriated by the general assembly ~~for the acquisition~~
5 ~~of computer hardware and software, software development,~~
6 ~~telecommunications equipment, and maintenance and lease~~
7 ~~agreements associated with technology components and for the~~
8 ~~purchase of equipment intended to provide an uninterruptible~~
9 ~~power supply~~ to the department of management to provide
10 a stable funding source for implementation costs of state
11 information technology projects that enhance the state's
12 technology infrastructure, improve government services,
13 and promote innovation and economic development, including
14 but not limited to new information technology projects
15 and infrastructure replacement efforts of a department or
16 establishment, while protecting the privacy of residents of
17 this state.
18   ~~3. *a.* There is appropriated from the general fund of the~~
19 ~~state to the technology reinvestment fund for the fiscal year~~
20 ~~beginning July 1, 2026, and for each fiscal year thereafter,~~
21 ~~the sum of seventeen million five hundred thousand dollars.~~
22   ~~*b.* There is appropriated from the rebuild Iowa~~
23 ~~infrastructure fund for the fiscal year beginning July 1, 2025,~~
24 ~~and ending June 30, 2026, the sum of eighteen million two~~
25 ~~hundred sixty-nine thousand two hundred seventeen dollars to~~
26 ~~the technology reinvestment fund, notwithstanding section 8.57,~~
27 ~~subsection 3, paragraph *"c"*.~~
28   3. *a.* The department of management shall prioritize
29 proposed projects based on all of the following considerations:
30   (1) Whether the project aligns with the state's strategic
31 priorities.
32   (2) Whether the project promotes or introduces new
33 technology or significantly improves an existing system.
34   (3) Whether the project is feasible and whether the
35 department or establishment has established readiness for the

1 project to proceed, including a clear assessment of timelines,

2 budgets, and measurable outcomes.

3   (4) Whether the project includes a clear change management

4 strategy to support user adoption and aligns with lean

5 enterprise principles to maximize value, minimize waste, and

6 ensure continuous improvement.

7   (5) Whether the project provides a positive return on

8 investment, considering both financial returns and nonfinancial

9 benefits such as improved public safety, education, or health

10 care.

11   (6) Whether the project results in infrastructure that is

12 scalable across the state enterprise.

13   (7) Whether the department or establishment has identified

14 how the completed project will be sustained beyond the initial

15 funding period.

16   (8) Whether the project improves access to governmental

17 services, particularly in rural communities.

18   (9) Whether the project involves an infrastructure project

19 as opposed to maintenance or standard upgrades of existing

20 technology.

21   *b.* The department of management shall provide a prioritized

22 list of proposed projects for funding to the governor, who

23 shall use the list in developing a budgetary recommendation

24 for the general assembly pursuant to section 8.21 for the

25 fiscal year beginning July 1, 2027, and for each fiscal year

26 thereafter.

27   *c.* Notwithstanding section 8.33, moneys in the technology

28 reinvestment fund that remain unencumbered or unobligated at

29 the close of a fiscal year shall not revert but shall remain

30 available for expenditure for the purposes designated until

31 the close of the fiscal year that ends two years after the

32 end of the fiscal year for which the appropriation was made.

33 Notwithstanding section 12C.7, subsection 2, interest or

34 earnings on moneys in the fund shall be credited to the fund.

35   4. ~~Annually, on~~ On or before January 15 of each year, ~~a~~

1 ~~state agency that received an appropriation from this fund~~
2 the department of management shall report to the ~~legislative~~
3 ~~services agency and the department of management~~ general
4 assembly the status of all projects funded under this section
5 that have been completed since the previous report was
6 submitted or that are in progress. The report ~~shall~~ must
7 include a description of the project, the progress of work
8 completed, the total estimated cost of the project, a list of
9 all revenue sources being used to fund the project, the amount
10 of ~~funds~~ moneys expended, the amount of ~~funds~~ moneys obligated,
11 and the date the project was completed or an estimated
12 completion date of the project, where applicable.
13   Sec. 2. Section 8.78, Code 2026, is amended to read as
14 follows:
15   **8.78 Background checks.**
16   An applicant for employment with the department, or
17 an applicant for employment with a supported entity for a
18 position as information technology staff, may be subject to a
19 background investigation by the department. The background
20 investigation may include, without limitation, a work history,
21 financial review, request for criminal history data, and
22 national criminal history check through the federal bureau of
23 investigation. In addition, a contractor, vendor, employee, or
24 any other individual performing work for the department, or an
25 individual on the information technology staff of a supported
26 entity, may be subject to a national criminal history check
27 through the federal bureau of investigation at least once
28 every ~~ten~~ five years, including, without limitation, any time
29 the department or supported entity has reason to believe an
30 individual has been convicted of a crime. The department may
31 request the national criminal history check and, if requested,
32 shall provide the individual's fingerprints to the department
33 of public safety for submission through the state criminal
34 history repository to the federal bureau of investigation.
35 The individual shall authorize release of the results of the

1 national criminal history check to the department and the
2 applicable supported entity. The department shall pay the
3 actual cost of the fingerprinting and national criminal history
4 check, if any, unless otherwise agreed as part of a contract
5 between the department or supported entity and a vendor or
6 contractor performing work for the department or supported
7 entity. The results of a criminal history check conducted
8 pursuant to this section shall not be considered a public
9 record under chapter 22.
10   Sec. 3. NEW SECTION. **8.94 Contracts —— prohibited terms.**
11   Provisions included in a contract entered into pursuant to
12 this subchapter that impose terms or conditions prohibited by
13 this section are void as contrary to public policy. Such a
14 contract shall be interpreted and enforced as if the contract
15 did not include the prohibited terms or conditions. Prohibited
16 terms and conditions include all of the following:
17   1. A provision requiring the department or a supported
18 entity to defend, indemnify, hold harmless another person, or
19 otherwise assume the debt or liability of another person in
20 violation of Article VII, section 1, of the Constitution of the
21 State of Iowa.
22   2. A provision that seeks to impose a term that is unknown
23 to the department or supported entity at the time of signing
24 the contract or that can be unilaterally changed by an entity
25 other than the department or a supported entity.
26   3. A provision that violates chapter 13 by not allowing
27 the department or a supported entity to participate in its own
28 defense through representation by the attorney general.
29   4. A provision that grants to a person other than the
30 attorney general the authority to convey to a court or litigant
31 the state's consent to any settlement of a suit involving the
32 contract when such settlement could impose liability on the
33 state.
34   5. A provision that specifies that the contract is governed
35 by the laws of a foreign state or nation.

1   6. A provision that claims blanket confidentiality of the
2 contract's terms.

3   7. A provision that claims that payment terms, including but
4 not limited to cost proposals or other pricing information, of
5 the contract are confidential.

6   8. A provision that authorizes or requires a venue for
7 litigation other than an appropriate state or federal court
8 sitting in Iowa.

9   9. A provision that requires the department or a supported
10 entity to pay attorney fees, court costs, or other litigation
11 expenses in the event of a contractual dispute.

12   10. A provision that imposes on the department or a
13 supported entity binding arbitration or any other binding
14 extrajudicial dispute resolution process in which the final
15 resolution is not determined by the state.

16   11. A provision that waives the department's or a supported
17 entity's right to a jury trial.

18   12. A provision that obligates the department or a supported
19 entity to pay late payment charges not consistent with section
20 8A.514, interest greater than allowed under section 8A.514 or
21 other applicable law, or any cancellation charges, as such
22 charges constitute pledges of the state's credit.

23   13. A provision that obligates the department or a supported
24 entity to pay a tax.

25   14. A provision that imposes a prior notice obligation
26 on the department or a supported entity as a condition for
27 the automatic renewal of a software license. The department
28 or a supported entity may provide notice of its intent to
29 terminate a software license at any time before the renewal
30 date established in the contract.

31   15. A provision that obligates the department or a supported
32 entity to accept risk of loss before the receipt of items or
33 goods.

34   16. A provision that obligates the department or a supported
35 entity to have commercial insurance.

1   17. A provision that obligates the department or a supported
2 entity to grant to a nongovernmental entity full or partial
3 ownership of intellectual property developed pursuant to the
4 contract when the intellectual property is developed in whole
5 or in part using federal funding.
6   18. A provision that limits the time in which the department
7 or a supported entity may bring a legal claim under the
8 contract to a period shorter than that provided in Iowa law.
9   19. A boilerplate provision included in transactional
10 documents received by the department or a supported entity that
11 seeks to alter the terms of the contract or to impose new terms
12 in the contract.
13   Sec. 4. NEW SECTION. **8.95 Contracts —— required terms.**
14   All of the following provisions shall be deemed to be
15 included in a contract entered into by the department or a
16 supported entity under this subchapter:
17   1. *Governing law.* The contract shall be governed by
18 the laws of the state of Iowa, without giving effect to any
19 conflicts of law principles of Iowa law that may require the
20 application of another jurisdiction's law.
21   2. *Venue.* Any litigation commenced in connection with the
22 contract shall be brought and maintained in an appropriate
23 state or federal court sitting in Iowa.
24   3. *State data.* "*State data*" means all data, records,
25 information, or content, in any form, that is provided by a
26 state governmental entity to a vendor or that is collected,
27 generated, or otherwise obtained by the vendor in the course of
28 providing a good or service to the state governmental entity.
29 "*State data*" does not include aggregated or deidentified data
30 collected by the vendor and used exclusively for the vendor's
31 internal purposes directly related to evaluating or improving
32 system performance, ensuring reliability, evaluating product
33 functionality, conducting system analytics, projecting needs
34 through capacity planning, ensuring license compliance, or
35 evaluating security. State data shall at all times remain the

1 sole and exclusive property of the state, and the vendor shall
2 use state data only as necessary to provide the contracted
3 services to the state. Upon request, the vendor shall provide
4 the state, at no cost, a current copy of all state data in a
5 commercially reasonable and state-acceptable digital format
6 that enables the state to readily use, transfer, or migrate
7 the state data. Except to the extent retention of state data
8 is required by law, the vendor shall, after confirming that
9 the state has received a copy of the state data, permanently
10 delete all state data upon the conclusion or termination of
11 the contract. At all times, including any post-contract
12 period in which state data is retained due to record retention
13 obligations, the vendor shall protect state data in accordance
14 with current state data protection policies.
15   Sec. 5. NEW SECTION. **8.96 Contracts —— limitation of**
16 **liability —— prohibited terms.**
17   Notwithstanding section 8A.311, subsection 22, and rules
18 adopted pursuant to that subsection, the director may include
19 a contractual limitation of vendor liability in information
20 technology goods and services contracts. A contractual
21 limitation of vendor liability must take into consideration the
22 public interest and the mitigation of risks associated with the
23 use of information technology goods or services. Any portion
24 of a contractual limitation of vendor liability that includes
25 a repudiation of all liability for cybersecurity incidents or
26 a limitation on the vendor's liability for intentional torts,
27 criminal acts, fraudulent conduct, intentional or willful
28 misconduct, gross negligence, death, bodily injury, damage to
29 real or personal property, intellectual property violations,
30 liquidated damages, compliance with applicable laws, violations
31 of confidential information obligations, or contractual
32 obligations of the vendor pertaining to indemnification shall
33 be void as a matter of law as contrary to public policy. A
34 contractual limit of vendor liability that does not apply
35 equally to the contracted parties or that limits a vendor's

1 liability to less than the contract value inclusive of all
2 possible extensions is void as a matter of law as contrary to
3 public policy.
4 Sec. 6. NEW SECTION. **8.97 Confidentiality of communications**
5 **with chief information security officer.**
6 In the interest of facilitating communication between
7 the chief information security officer and other entities
8 concerning security incidents and security breaches, all such
9 communications and any documents generated based in whole or in
10 part on such communications are confidential. Notwithstanding
11 chapter 22 or any other provision of law to the contrary, the
12 department shall not release such communications pursuant to
13 state open records laws, and such communications shall not be
14 received into evidence, subject to discovery, or otherwise
15 used in a trial, hearing, or other proceeding in or before any
16 court, regulatory body, or other authority of the state or a
17 political subdivision of the state, unless the communications
18 are subject to a protective order that prohibits further
19 disclosure of such communications and requires any court
20 filings of such communications to be made under seal. It is
21 the intent of the general assembly that these prohibitions and
22 restrictions also apply to federal courts, regulatory bodies,
23 and other authorities and for purposes of federal open records
24 laws, to the extent allowed by federal law and court rules.
25 The chief information security officer shall not release such
26 communications other than for any of the following purposes:
27 1. Identifying a cybersecurity threat, including the source
28 of the cybersecurity threat, or a security vulnerability, and
29 then only to government officials for purposes of addressing
30 the threat.
31 2. Responding to, or otherwise preventing or mitigating,
32 a specific threat of death, serious bodily harm, or serious
33 economic harm.
34 3. Responding to, investigating, prosecuting, or otherwise
35 preventing or mitigating a serious threat to a minor, including

1 sexual exploitation and threats to physical safety.

2 4. Preventing, investigating, disrupting, or prosecuting an
3 offense under state or federal law.

4 5. Providing a confidential cybersecurity briefing to the
5 governor or a member of the general assembly.

6 Sec. 7. NEW SECTION. **8.98 Criminal justice information.**
7 1. The department is authorized to maintain an integrated
8 information system that enables automated data sharing among
9 the executive branch, judicial branch, and local agencies.
10 2. The department is designated as the Iowa statistical
11 analysis center for the purpose of coordinating with data
12 resource agencies to provide data and analytical information
13 to federal, state, and local governments. Notwithstanding any
14 other provision of state law to the contrary, unless prohibited
15 by federal law or regulation, the department shall be granted
16 access, for purposes of research and evaluation, to all of
17 the data listed in this subsection, except that intelligence
18 data and peace officer investigative reports maintained
19 by the department of public safety shall not be considered
20 data for the purposes of this section. The department of
21 management and any record, data, or information obtained by the
22 department under this subsection is subject to the federal and
23 state confidentiality laws and rules, including as described
24 in chapter 22, applicable to the original record, data, or
25 information, and to the original custodian of the record,
26 data, or information. Authorized access under this subsection
27 includes but is not limited to all of the following:
28 *a.* Juvenile court records and all other information
29 maintained under sections 232.147 through 232.151.
30 *b.* Child abuse information under sections 235A.15 through
31 235A.19.
32 *c.* Dependent adult abuse records maintained under chapter
33 235B.
34 *d.* Criminal history data maintained under chapter 692.
35 *e.* Sex offender registry information maintained under

1 chapter 692A.

2 *f.* Presentence investigation reports maintained under
3 section 901.4.

4 *g.* Corrections records maintained under sections 904.601 and
5 904.602.

6 *h.* Community-based correctional program records maintained
7 under chapter 904.

8 *i.* Parole records maintained under chapter 906.

9 *j.* Deferred judgment, deferred or suspended sentence, and
10 probation records maintained under chapter 907.

11 *k.* Violation of parole or probation records maintained under
12 chapter 908.

13 *l.* Fine and victim restitution records maintained under
14 chapters 909 and 910.

15 *m.* Child welfare records maintained under chapter 235.

16 3. The department is authorized to provide data analysis and
17 reporting on issues that may affect the state's correctional
18 population and various subgroups of the population. This
19 reporting may include the review of filed, public legislative
20 bills, joint resolutions, and amendments, and compiling
21 criminal justice data for completion of correctional impact
22 statements under section 2.56, minority impact statements, and
23 an annual prison population forecast.

24 4. The department is authorized to maintain a multiagency
25 information system to track the progress of juveniles and
26 adults who have been charged with a criminal offense in
27 the court system through various state and local agencies
28 and programs. This system must utilize existing databases,
29 including the Iowa court information system, the Iowa
30 corrections offender network, the child welfare information
31 system of the department of health and human services,
32 the federally mandated national adoption and foster care
33 information system, and other state and local databases
34 pertaining to juveniles and to adults who have been charged
35 with a criminal offense in the court system, to the extent

1 practicable.

2 5. The multiagency information system is authorized to
3 count and track decision points for juveniles in the juvenile
4 justice system and minors in the child welfare system, evaluate
5 the experiences of the juveniles and minors, and evaluate
6 the success of the services provided. The system is also
7 authorized to count and track decision points for adults who
8 have been charged with a criminal offense in the court system,
9 including but not limited to dismissed charges, convictions,
10 deferred judgments, and sentence information.

11 6. If the department has insufficient moneys or resources
12 to implement this section, the department is authorized to
13 determine which portion of this section may be implemented, if
14 any, and the remainder of this section shall not apply.

15 Sec. 8. NEW SECTION. **8.99 Confidentiality of data.**

16 1. For purposes of chapter 22, the department shall not be
17 deemed to be the lawful custodian of records the department
18 maintains for another department or establishment under this
19 subchapter, to the extent the records in question are held
20 by the department as an automated data processing unit of
21 government or held by the department solely for storage for
22 another department or establishment. Such records include but
23 are not limited to all of the following:

24 *a.* Electronic messaging system data.

25 *b.* Mainframe data.

26 *c.* Storage solutions or other electronic information, such
27 as on-premises server data storage and cloud data storage.

28 2. If the department receives a request pursuant to chapter
29 22 for records over which the department has determined it is
30 not the lawful custodian, the department shall deny the request
31 and inform the requester to seek the information from the
32 lawful custodian as provided in chapter 22. The department's
33 determination that it is not the lawful custodian of records is
34 presumed valid. The presumption may be rebutted by clear and
35 convincing evidence to the contrary.

1   3. The department shall provide assistance to the lawful
2 custodian of records held by the department so that the lawful
3 custodian can comply with the production obligations of chapter
4 22.
5   4. If the department receives a subpoena in an
6 administrative, civil, or criminal case for records for which
7 the department is not the lawful custodian, the department
8 shall notify the lawful custodian and the attorney general's
9 office and cooperate in any efforts to resist the subpoena.
10   Sec. 9. Section 216A.131A, Code 2026, is amended to read as
11 follows:
12   **216A.131A Criminal and juvenile justice planning.**
13   The department shall fulfill the responsibilities of
14 this subchapter, including the duties specified in sections
15 216A.133, 216A.135, ~~216A.136, 216A.137, 216A.138,~~ and 216A.140.
16   Sec. 10. Section 216A.133, subsection 1, paragraphs d, e, f,
17 l, and t, Code 2026, are amended by striking the paragraphs.
18   Sec. 11. Section 216A.133, subsection 1, paragraph q,
19 subparagraphs (1) and (6), Code 2026, are amended by striking
20 the subparagraphs.
21   Sec. 12. Section 216A.133, subsection 1, paragraph s, Code
22 2026, is amended to read as follows:
23   *s.* Provide expertise and advice to the legislative
24 services agency, the department of management, the department
25 of corrections, the judicial branch, and others charged
26 with formulating fiscal, correctional, or minority impact
27 statements.
28   Sec. 13. Section 216A.135, subsection 2, paragraph e, Code
29 2026, is amended by striking the paragraph.
30   Sec. 14. Section 232.147, subsection 2, paragraph i, Code
31 2026, is amended to read as follows:
32   *i.* The statistical analysis center for the purposes stated
33 in section ~~216A.136~~ 8.98.
34   Sec. 15. Section 232.147, subsection 3, paragraph n, Code
35 2026, is amended to read as follows:

1   *n.* The statistical analysis center for the purposes stated
2 in section ~~216A.136~~ 8.98.
3   Sec. 16. Section 232.147, subsection 4, paragraph i, Code
4 2026, is amended to read as follows:
5   *i.* The statistical analysis center for the purposes stated
6 in section ~~216A.136~~ 8.98.
7   Sec. 17. Section 232.149, subsection 5, paragraph f, Code
8 2026, is amended to read as follows:
9   *f.* The statistical analysis center for the purposes stated
10 in section ~~216A.136~~ 8.98.
11   Sec. 18. Section 232.149A, subsection 3, paragraph m, Code
12 2026, is amended to read as follows:
13   *m.* The statistical analysis center for the purposes stated
14 in section ~~216A.136~~ 8.98.
15   Sec. 19. REPEAL. Sections 216A.136, 216A.137, and
16 216A.138, Code 2026, are repealed.
17   Sec. 20. EFFECTIVE DATE. The following take effect July 1,
18 2027:
19   The portions of the section of this Act amending section
20 8.57C, subsections 2 and 4.
21   Sec. 21. APPLICABILITY. The following apply to contracts
22 entered into or renewed on or after July 1, 2026:
23   1. The section of this Act enacting section 8.94.
24   2. The section of this Act enacting section 8.95.
25   3. The section of this Act enacting section 8.96.
26   EXPLANATION

29   This bill relates to matters under the purview of the
30 department of management (DOM).
31   The bill strikes current law providing for the use of moneys
32 in the technology reinvestment fund for certain technology
33 projects and instead requires DOM to use moneys in the fund for
34 technology projects using factors set forth in the bill. The
35 bill requires DOM to provide a prioritized list of proposed

1 projects to the governor, who must use the list to develop
2 a budgetary recommendation to the general assembly, and to
3 report completed and ongoing projects to the general assembly
4 annually. The bill strikes the standing appropriations to
5 the technology reinvestment fund and provides that any moneys
6 in the fund shall remain available for two years after the
7 appropriation is made.
8   The bill increases the frequency at which a person
9 performing work for DOM or an individual on the information
10 technology staff of a supported entity may be subject to a
11 national criminal history check through the federal bureau of
12 investigation from at least once every 10 years to every 5
13 years.
14   The bill prohibits the inclusion of certain provisions in
15 information technology contracts and declares those provisions
16 void if present in such contracts. The bill also provides
17 that such contracts are deemed to include provisions relating
18 to state data, requiring the contract to be governed by Iowa
19 law, and requiring litigation related to the contract to be
20 brought and maintained in a state or federal court sitting
21 in Iowa. The bill authorizes the director of DOM to include
22 limitations of vendor liability in information technology goods
23 and services contracts, but sets forth prohibited terms in such
24 limitations of liability.
25   The bill makes all communication concerning cybersecurity
26 between the chief information security officer and other
27 entities confidential and allows the communications to be
28 released only for specific purposes.
29   Under current law, the department of health and human
30 services serves as the Iowa statistical analysis center and
31 maintains an integrated information system for data sharing
32 among federal, state, and local governments. The bill
33 transfers these powers and duties to DOM and grants DOM access
34 to criminal justice information other than intelligence data
35 and peace officer investigative reports maintained by the

1 department of public safety. DOM is authorized to provide
2 data analysis and reporting on issues that may affect the
3 state's correctional population and various subgroups of the
4 population, to maintain a multiagency information system to
5 track the progress of juveniles and adults charged with a
6 criminal offense through state and local agencies and programs,
7 and to count and track decision points for individuals in
8 the juvenile justice system, child welfare system, and
9 court system. If DOM lacks sufficient moneys to perform the
10 authorized tasks of the Iowa statistical analysis center, the
11 bill allows DOM to determine which, if any, to implement.
12   The bill states that DOM is not the lawful custodian under
13 Code chapter 22 (open records) for records DOM maintains in
14 DOM's information technology capacity for other state entities
15 as an automated data processing unit of government or when
16 held by DOM solely for storage for another department or
17 establishment. The bill requires DOM to deny requests for
18 information for which DOM is not the lawful custodian, to
19 provide assistance to the lawful custodian to comply with
20 production obligations, and to cooperate in any efforts to
21 resist associated subpoenas.