

Senate Study Bill 3189 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED GOVERNOR BUDGET
BILL)

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:

..... \$ 3,602,306

b. For the payment of utility costs:

..... \$ 4,487,598

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:

..... \$ 460,884

d. For state library services:

(1) For salaries, support, maintenance, and miscellaneous

purposes:

..... \$ 2,626,613

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

..... \$ 2,464,823

e. (1) For support of the state's historical resources:

..... \$ 3,804,774

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

f. For administration and support of the state's historic

1 sites:

2 \$ 425,751

3 2. Any moneys and premiums collected by the department
4 for workers' compensation shall be segregated into a separate
5 workers' compensation fund in the state treasury to be used
6 for payment of state employees' workers' compensation claims
7 and administrative costs. Notwithstanding section 8.33,
8 unencumbered or unobligated moneys remaining in this workers'
9 compensation fund at the end of the fiscal year shall not
10 revert but shall remain available for expenditure for purposes
11 of the fund in subsequent fiscal years.

12 Sec. 2. DEPARTMENT OF ADMINISTRATIVE SERVICES —
13 REVOLVING FUNDS. There is appropriated to the department of
14 administrative services for the fiscal year beginning July
15 1, 2026, and ending June 30, 2027, from the revolving funds
16 designated in chapter 8A and from internal service funds
17 created by the department such amounts as the department deems
18 necessary for the operation of the department consistent with
19 the requirements of chapter 8A.

20 Sec. 3. DEPARTMENT OF ADMINISTRATIVE SERVICES — STATE
21 EMPLOYEE HEALTH INSURANCE ADMINISTRATION CHARGE. For the
22 fiscal year beginning July 1, 2026, and ending June 30, 2027,
23 the monthly per contract administrative charge which may be
24 assessed by the department of administrative services shall be
25 \$2.00 per contract on all health insurance plans administered
26 by the department.

27 Sec. 4. AUDITOR OF STATE.

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

33 For salaries, support, maintenance, and miscellaneous
34 purposes:

35 \$ 1,002,686

1 2. The auditor of state may retain additional full-time
2 equivalent positions as is reasonable and necessary to
3 perform governmental subdivision audits which are reimbursable
4 pursuant to section 11.20 or 11.21, to perform audits which are
5 requested by and reimbursable from the federal government, and
6 to perform work requested by and reimbursable from departments
7 or agencies pursuant to section 11.5A or 11.5B. The auditor
8 of state shall notify the department of management, the
9 legislative fiscal committee, and the legislative services
10 agency of the additional full-time equivalent positions
11 retained.

12 3. The auditor of state shall allocate moneys from the
13 appropriation in this section solely for audit work related to
14 the annual comprehensive financial report, federally required
15 audits, and investigations of embezzlement, theft, or other
16 significant financial irregularities until the audit of the
17 annual comprehensive financial report is complete.

18 Sec. 5. IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD. There
19 is appropriated from the general fund of the state to the
20 Iowa ethics and campaign disclosure board for the fiscal year
21 beginning July 1, 2026, and ending June 30, 2027, the following
22 amount, or so much thereof as is necessary, to be used for the
23 purposes designated:

24 For salaries, support, maintenance, and miscellaneous
25 purposes:
26 \$ 1,045,432

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

33 1. GENERAL OFFICE

34 For salaries, support, maintenance, and miscellaneous
35 purposes:

1 \$ 2,864,932

2 2. TERRACE HILL QUARTERS

3 For the governor's quarters at Terrace Hill, including

4 salaries, support, maintenance, and miscellaneous purposes:

5 \$ 144,222

6 Sec. 7. DEPARTMENT OF INSPECTIONS, APPEALS, AND

7 LICENSING. There is appropriated from the general fund of the

8 state to the department of inspections, appeals, and licensing

9 for the fiscal year beginning July 1, 2026, and ending June

10 30, 2027, the following amounts, or so much thereof as is

11 necessary, to be used for the purposes designated:

12 1. ADMINISTRATION DIVISION

13 For salaries, support, maintenance, and miscellaneous

14 purposes:

15 \$ 808,285

16 2. ADMINISTRATIVE HEARINGS DIVISION

17 For salaries, support, maintenance, and miscellaneous

18 purposes:

19 \$ 654,983

20 3. INVESTIGATIONS

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

22 purposes:

23 \$ 2,769,231

24 b. By December 1, 2026, the department shall submit a

25 report to the general assembly concerning the department's

26 activities relative to fraud in public assistance programs for

27 the fiscal year beginning July 1, 2025, and ending June 30,

28 2026. The report must include but is not limited to a summary

29 of the number of cases investigated, case outcomes, overpayment

30 dollars identified, amount of cost avoidance, and actual

31 dollars recovered.

32 4. HEALTH FACILITIES

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

34 purposes:

35 \$ 6,206,128

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

4 (1) The number of inspections of health facilities
5 conducted by the department annually by type of service
6 provider and type of inspection.

7 (2) The total annual operations budget for the department
8 that is associated with health facilities regulation, including
9 general fund appropriations and federal contract dollars
10 received by type of service provider inspected.

11 (3) The total number of full-time equivalent positions
12 in the department that are associated with health facilities
13 regulation, to include the number of full-time equivalent
14 positions serving in a supervisory capacity, and serving as
15 surveyors, inspectors, or monitors in the field by type of
16 service provider inspected.

17 (4) Identification of state and federal survey trends,
18 cited regulations, the scope and severity of deficiencies
19 identified, and federal and state fines assessed and collected
20 concerning nursing and assisted living facilities and programs.

21 c. It is the intent of the general assembly that the
22 department continuously solicit input from health facilities
23 regulated by the department to assess and improve the
24 department's level of collaboration and to identify new
25 opportunities for cooperation.

26 5. EMPLOYMENT APPEAL BOARD

27 a. For salaries, support, maintenance, and miscellaneous
28 purposes:

29 \$ 510,782

30 b. The employment appeal board shall be reimbursed by the
31 department for all costs associated with hearings conducted
32 under chapter 91C related to contractor registration. The
33 board may expend, in addition to the amount appropriated under
34 this subsection, additional amounts as are directly billable
35 to the department under this subsection and to retain the

1 additional full-time equivalent positions as needed to conduct
2 hearings required pursuant to [chapter 91C](#).

3 c. The employment appeal board may temporarily exceed and
4 draw more than the amount appropriated in this subsection and
5 incur a negative cash balance as long as there are receivables
6 of federal funds equal to or greater than the negative balance
7 and the amount appropriated in this subsection is not exceeded
8 at the close of the fiscal year.

9 6. IOWA OFFICE OF CIVIL RIGHTS

10 a. For salaries, support, maintenance, and miscellaneous
11 purposes:

12 \$ 1,338,921

13 b. The Iowa office of civil rights may enter into a contract
14 with a nonprofit organization to provide legal assistance to
15 resolve civil rights complaints.

16 7. LABOR SERVICES

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

19 \$ 2,965,719

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

25 8. DIVISION OF WORKERS' COMPENSATION

26 a. For salaries, support, maintenance, and miscellaneous
27 purposes:

28 \$ 3,381,044

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

34 9. PROFESSIONAL LICENSING

35 For salaries, support, maintenance, and miscellaneous

1 purposes:

2 \$ 1,627,969

3 10. APPROPRIATION REALLOCATION

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

12 Sec. 8. DEPARTMENT OF INSPECTIONS, APPEALS, AND LICENSING
13 — LICENSE OR REGISTRATION FEES.

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

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

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

33 4. From the fees collected by the department under this
34 section, other than those fees described in subsections 2 and
35 3, the department shall retain the remainder of the fees for

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

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

22 For salaries, support, maintenance, and miscellaneous
23 purposes for regulation, administration, and enforcement of
24 pari-mutuel racetracks, excursion boat gambling, gambling
25 structure laws, sports wagering, and fantasy sports contests:
26 \$ 8,049,999

27 Sec. 10. DEPARTMENT OF INSPECTIONS, APPEALS, AND LICENSING
28 — ROAD USE TAX FUND. There is appropriated from the road
29 use tax fund created in section 312.1 to the administrative
30 hearings division of the department of inspections, appeals,
31 and licensing for the fiscal year beginning July 1, 2026, and
32 ending June 30, 2027, the following amount, or so much thereof
33 as is necessary, to be used for the purposes designated:

34 For salaries, support, maintenance, and miscellaneous
35 purposes:

1 \$ 1,623,897

2 Sec. 11. DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

3 — COMMERCE REVOLVING FUND. There is appropriated from the

4 commerce revolving fund created in section 546.12 to the

5 department of insurance and financial services for the fiscal

6 year beginning July 1, 2026, and ending June 30, 2027, the

7 following amounts, or so much thereof as is necessary, to be

8 used for the purposes designated:

9 1. BANKING DIVISION

10 For salaries, support, maintenance, and miscellaneous

11 purposes:

12 \$ 14,881,690

13 2. CREDIT UNION DIVISION

14 For salaries, support, maintenance, and miscellaneous

15 purposes:

16 \$ 3,018,710

17 3. INSURANCE DIVISION

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

19 purposes:

20 \$ 11,010,719

21 b. The insurance division expenditures for examination

22 purposes may exceed the projected receipts, refunds, and

23 reimbursements, estimated pursuant to section 505.7, subsection

24 7, including the expenditures for retention of additional

25 personnel, if the expenditures are fully reimbursable and the

26 division first does all of the following:

27 (1) Notifies the department of management, the legislative

28 services agency, and the legislative fiscal committee of the

29 need for the expenditures.

30 (2) Files with each of the entities named in subparagraph

31 (1) the legislative and regulatory justification for the

32 expenditures, along with an estimate of the expenditures.

33 Sec. 12. DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES —

34 GENERAL FUND. There is appropriated from the general fund of

35 the state to the department of insurance and financial services

1 for the fiscal year beginning July 1, 2026, and ending June 30,
2 2027, the following amount, or so much thereof as is necessary,
3 to be used for the purposes designated:

4 For deposit in the captive insurance regulatory and
5 supervision fund created in [section 521J.12](#) for use as provided
6 in [section 521J.12](#), including salaries, support, maintenance,
7 and miscellaneous purposes:

8 \$ 450,000

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

14 1. For enterprise resource planning, providing for a
15 salary model administrator, conducting performance audits,
16 the department's LEAN process, and criminal and juvenile
17 justice planning; and for salaries, support, maintenance, and
18 miscellaneous purposes:

19 \$ 3,666,154

20 2. a. For the division of information technology; and for
21 salaries, support, maintenance, and miscellaneous purposes:

22 \$ 4,421,887

23 b. Of the moneys appropriated in this subsection, \$325,000
24 is allocated to providing cybersecurity services to local
25 governments.

26 Sec. 14. DEPARTMENT OF MANAGEMENT — INFORMATION TECHNOLOGY
27 — REVOLVING AND INTERNAL FUNDS.

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

35 2. a. Notwithstanding [section 321A.3, subsection 1](#), for the

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

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

14 Sec. 15. DEPARTMENT OF MANAGEMENT — ROAD USE TAX
15 FUND. There is appropriated from the road use tax fund created
16 in [section 312.1](#) to the department of management for the fiscal
17 year beginning July 1, 2026, and ending June 30, 2027, the
18 following amount, or so much thereof as is necessary, to be
19 used for the purposes designated:

20 For salaries, support, maintenance, and miscellaneous
21 purposes:
22 \$ 56,000

23 Sec. 16. IPERS — GENERAL OFFICE. There is appropriated
24 from the Iowa public employees' retirement fund created in
25 section 97B.7 to the Iowa public employees' retirement system
26 for 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 other operational
30 purposes to pay the costs of the Iowa public employees'
31 retirement system:
32 \$ 26,330,702

33 Sec. 17. IOWA PUBLIC INFORMATION BOARD. There is
34 appropriated from the general fund of the state to the Iowa
35 public information board for the fiscal year beginning July

1 1, 2026, and ending June 30, 2027, the following amount, or
2 so much thereof as is necessary, to be used for the purposes
3 designated:

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

6 \$ 467,227

7 Sec. 18. DEPARTMENT OF REVENUE.

8 1. There is appropriated from the general fund of the state
9 to the department of revenue for the fiscal year beginning July
10 1, 2026, and ending June 30, 2027, the following amount, or
11 so much thereof as is necessary, to be used for the purposes
12 designated:

13 a. For salaries, support, maintenance, and miscellaneous
14 purposes:

15 \$ 15,378,678

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

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

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

30 For salaries, support, maintenance, and miscellaneous
31 purposes, and for administration and enforcement of the
32 provisions of [chapter 452A](#) and the motor vehicle fuel tax
33 program:

34 \$ 1,305,775

35 Sec. 20. SECRETARY OF STATE. There is appropriated from

1 the general fund of the state to the office of the secretary of
2 state for the fiscal year beginning July 1, 2026, and ending
3 June 30, 2027, the following amounts, or so much thereof as is
4 necessary, to be used for the purposes designated:

5 1. ADMINISTRATION AND ELECTIONS

6 a. For salaries, support, maintenance, and miscellaneous
7 purposes:

8 \$ 2,566,697

9 b. The state department or agency that provides data
10 processing services to support voter registration file
11 maintenance and storage shall provide those services without
12 charge.

13 2. BUSINESS SERVICES

14 For salaries, support, maintenance, and miscellaneous
15 purposes:

16 \$ 1,568,795

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

24 For salaries, support, maintenance, and miscellaneous
25 purposes:

26 \$ 195,400

27 Sec. 22. SECRETARY OF STATE FILING FEES REFUND.

28 Notwithstanding the obligation to collect fees pursuant to the
29 provisions of [section 489.122, subsection 1](#), paragraphs "c" and
30 "s", [section 490.122, subsection 1](#), paragraph "a", and section
31 504.113, subsection 1, paragraphs "a", "c", "d", "j", "k",
32 "l", and "m", for the fiscal year beginning July 1, 2026, the
33 secretary of state may refund these fees to the filer pursuant
34 to rules established by the secretary of state. The decision
35 of the secretary of state not to issue a refund under rules

1 established by the secretary of state is final and not subject
2 to review pursuant to [chapter 17A](#).

3 Sec. 23. TREASURER OF STATE.

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

9 a. For salaries, support, maintenance, and miscellaneous
10 purposes:

11 \$ 1,046,415

12 b. For deposit in the administrative fund of the Iowa ABLE
13 savings plan trust created in section 12I.4, for implementation
14 and administration activities of the Iowa ABLE savings plan
15 trust:

16 \$ 200,000

17 2. The office of treasurer of state shall supply
18 administrative support for the executive council.

19 Sec. 24. TREASURER OF STATE — ROAD USE TAX FUND. There
20 is appropriated from the road use tax fund created in section
21 312.1 to the office of treasurer of state for the fiscal year
22 beginning July 1, 2026, and ending June 30, 2027, the following
23 amount, or so much thereof as is necessary, to be used for the
24 purposes designated:

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

27 \$ 316,788

28 Sec. 25. IOWA UTILITIES COMMISSION.

29 1. There is appropriated from the commerce revolving fund
30 created in [section 546.12](#) to the Iowa utilities commission for
31 the fiscal year beginning July 1, 2026, and ending June 30,
32 2027, the following amount, or so much thereof as is necessary,
33 to be used for the purposes designated:

34 For salaries, support, maintenance, and miscellaneous
35 purposes:

1 \$ 12,080,831

2 2. The Iowa utilities commission may expend additional
3 moneys, including moneys for additional personnel, if those
4 additional expenditures are actual expenses which exceed the
5 moneys budgeted for utility regulation and the expenditures are
6 fully reimbursable. Before the commission expends or encumbers
7 an amount in excess of the moneys budgeted for regulation, the
8 commission shall first do all of the following:

9 a. Notify the department of management, the legislative
10 services agency, and the legislative fiscal committee of the
11 need for the expenditures.

12 b. File with each of the entities named in paragraph "a" the
13 legislative and regulatory justification for the expenditures,
14 along with an estimate of the expenditures.

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

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

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

1 amount:

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

4 \$ 17,525

5 DIVISION II

6 DEPOSIT OF CERTAIN FEES

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

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

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

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

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

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

35 ~~{2}~~ *b.* Local volunteer fire protection service providers

1 for the purchase of necessary enforcement, protection, or
2 emergency response equipment.

3 Sec. 31. Section 10A.520, subsection 3, Code 2026, is
4 amended to read as follows:

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

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

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

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

27 **99B.58 Electrical or mechanical amusement devices — special**
28 **fund deposit of fees.**

29 Fees collected by the department pursuant to sections
30 99B.53 and 99B.56 shall be deposited in a ~~special fund created~~
31 ~~in the state treasury. Moneys in the fund are appropriated~~
32 ~~to the department of inspections, appeals, and licensing~~
33 ~~and the department of public safety for administration and~~
34 ~~enforcement of this subchapter, including employment of~~
35 ~~necessary personnel. The distribution of moneys in the fund~~

1 governor, department of inspections, appeals, and licensing,
2 department of insurance and financial services, department of
3 management, Iowa public employees' retirement system, Iowa
4 public information board, department of revenue, secretary of
5 state, treasurer of state, and Iowa utilities commission.

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

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

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