

Economic Development Appropriations Bill Senate File 2485

Last Action:
Senate Appropriations
Committee
April 8, 2026

An Act relating to and making appropriations for the economic development of the State, including to the Economic Development Authority, Iowa Finance Authority, Department of Workforce Development, and State Board of Regents and certain Regents institutions.

**Fiscal Services Division
Legislative Services Agency**

NOTES ON BILLS AND AMENDMENTS (NOBA)

Available online at www.legis.iowa.gov/publications/information/appropriationBillAnalysis

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FUNDING SUMMARY

General Fund FY 2027: Appropriates a total of \$38.4 million from the General Fund to the Iowa Economic Development Authority (IEDA), the Iowa Finance Authority (IFA), the Iowa Department of Workforce Development (IWD), and the Iowa Board of Regents (BOR) for FY 2027. This is a decrease of \$1.9 million compared to estimated net FY 2026.

Other Funds FY 2027: Appropriates a total of \$34.7 million from other funds for FY 2027. This is an increase of \$300,000 compared to estimated net FY 2026.

NEW PROGRAMS, SERVICES, OR ACTIVITIES

Board of Regents: Appropriates \$1.0 million from the Skilled Worker and Job Creation Fund (SWJCF) to the University of Northern Iowa (UNI) to provide in-state tuition and mandatory fees to undergraduate students who reside in a state contiguous to Iowa. This is a new appropriation for FY 2027.

Page 12, Line 11

Board of Regents: Appropriates \$600,000 from the SWJCF to the UNI to expand the nursing program. This is a new appropriation for FY 2027.

Page 12, Line 19

MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

General Fund

Iowa Economic Development Authority: Appropriates a total of \$17.9 million from the General Fund to the IEDA. This is a decrease of \$538,000 compared to estimated net FY 2026, including:

Page 2, Line 1

- A decrease of \$18,000 to the Economic Development appropriation.
- A decrease of \$350,000 to the Councils of Governments.
- A decrease of \$170,000 to the Iowa Arts Council.

Iowa Finance Authority: Appropriates a total of \$873,000 from the General Fund to the IFA. This is a decrease of \$550,000 compared to estimated net FY 2026 due to the elimination of the Housing Renewal Pilot Program appropriation.

Page 6, Line 1

Iowa Department of Workforce Development: Appropriates a total of \$15.3 million from the General Fund. This is a decrease of \$801,000 compared to estimated net FY 2026, including:

Page 6, Line 21

- A decrease of \$250,000 for the Future Ready Iowa Summer Youth Intern Program.

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- A decrease of \$85,000 for Independent Living.
- A decrease of \$87,000 for the Independent Living Center Grant.
- A decrease of \$380,000 for the Employee Misclassification Program.

Other Funds

Iowa Economic Development Authority: Appropriates a total of \$14.8 million from the SWJCF to the IEDA. This is an increase of \$333,000 compared to estimated net FY 2026, including:

Page 9, Line 1

- A decrease of \$11.7 million for the High Quality Jobs Program.
- An increase of \$11.7 million for the Business Incentives for Growth (BIG) Program.
- An increase of \$333,000 for the Manufacturing 4.0 Program.

Iowa Department of Workforce Development: Appropriates a total of \$4.6 million from the SWJCF to the IWD. This is a decrease of \$1.6 million compared to estimated net FY 2026, including:

Page 12, Line 26

- A decrease of \$1.0 million for Adult Education and Literacy for the Workforce.
- A decrease of \$633,000 for Science, Technology, Engineering, and Math (STEM) Internships.

STUDIES AND INTENT

Intent

Requires the goals of the IEDA to include expanding and stimulating the State economy, increasing the wealth of Iowans, and increasing the population of Iowa.

Page 1, Line 1

Requests the Auditor of State to review the outside audit of the IFA.

Page 6, Line 18

Requires the IWD to partner with the Department of Corrections to improve the ability of offenders to find and retain productive employment.

Page 7, Line 5

Requires the Vocational Rehabilitation Services Division to work with community rehabilitation program providers for job placement and retention services for individuals with significant disabilities.

Page 7, Line 22

Requires the IWD to use the same application process and criteria when issuing grants from the Adult Education and Literacy Programs General Fund appropriation that are used when awarding grants to community colleges for adult basic education programs for instruction in English as a second language from the SWJCF.

Page 8, Line 3

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Requires recipients of BIG Program funds to testify regarding the use of the funds at the request of the Economic Development Appropriations Subcommittee.	Page 9, Line 17
Requires ISU to focus economic development expenditures on projects that will provide economic stimulus for Iowa and emphasize the provision of services to Iowa-based companies.	Page 10, Line 32
Specifies the intent of the General Assembly that the Industrial Incentive Program focus on Iowa industrial sectors and seek contributions and in-kind donations from businesses, industrial foundations, and trade associations. Specifies matching requirements under the Program.	Page 11, Line 2
Requires the SUI to focus economic development expenditures on projects that will provide economic stimulus for Iowa and emphasize providing services to Iowa-based companies.	Page 11, Line 28
Requires the UNI to focus economic development expenditures on projects that will provide economic stimulus for Iowa and to emphasize providing services to Iowa-based companies.	Page 12, Line 6
Requires recipients of SWJCF appropriations to the BOR to testify regarding the use of the funds appropriated at the request of the Economic Development Appropriations Subcommittee.	Page 12, Line 21
Requires the UNI to make a good-faith effort to coordinate support from private entities for the expansion of additive manufacturing.	Page 14, Line 29
<i>Nonreversion</i>	
Allows any unencumbered or unobligated moneys appropriated to the IEDA for FY 2027 from the General Fund for general operations to remain available for expenditure in FY 2028.	Page 2, Line 24
Allows any unencumbered or unobligated moneys appropriated to the IEDA for FY 2027 from the General Fund for the Iowa Tourism Office to remain available for expenditure through FY 2028.	Page 4, Line 9
Allows any unencumbered or unobligated moneys appropriated to the IEDA for FY 2027 from the General Fund for the Iowa Arts Council to remain available for expenditure through FY 2028.	Page 4, Line 35
Allows any unencumbered or unobligated moneys appropriated to the IFA from the General Fund for the Home and Community-Based Services (HCBS) Rent Subsidy Program for FY 2027 to remain available for expenditure in FY 2028.	Page 6, Line 13
Allows any unencumbered or unobligated moneys appropriated to the IWD from the General Fund for	Page 8, Line 16

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FY 2027 under Section 8 of this Bill to remain available for expenditure in FY 2028.

Allows any unencumbered or unobligated moneys appropriated from the SWJCF to the IEDA, the BOR, and the IWD for FY 2027 to remain available for expenditure in FY 2028.

Page 13, Line 33

Allows any unencumbered or unobligated moneys appropriated from the General Fund to the University of Iowa (SUI) and to Iowa State University (ISU) for support of a biosciences innovation ecosystem for FY 2027 to remain available for expenditure through FY 2028.

Page 14, Line 33

Required Reports

Requires the IEDA to submit an annual report by January 15 to the General Assembly regarding the activities of the Iowa Tourism Office.

Page 4, Line 14

Requires the IEDA to submit an annual report by November 1, 2026, to the General Assembly regarding all financial assistance awards for the prior fiscal year.

Page 5, Line 18

Requires the Vocational Rehabilitation Services Division to submit a report to the General Assembly by January 15, 2027, detailing the Division's outreach efforts with community rehabilitation program providers.

Page 7, Line 22

Requires the BOR to submit a report by January 15, 2027, to the Governor and the General Assembly regarding the use of the SWJCF appropriation to the BOR for activities, projects, and programs in the areas of technology commercialization, entrepreneurship, regional development, and market research.

Page 10, Line 8

Requires ISU to report annually to the General Assembly regarding the total amount of private contributions received, the proportion of those contributions that are from small businesses and other businesses, and the proportion used for directed contract research and nondirected research.

Page 11, Line 16

SIGNIFICANT CODE CHANGES

Arts and Culture Enhancement: Specifies that the standing limited General Fund appropriation from the casino adjusted gross receipts (AGR) tax to the IEDA for the Arts and Culture Enhancement Fund is limited to \$448,000 for FY 2027.

Page 5, Line 12

Tourism Marketing: Specifies that the standing General Fund appropriation from the casino AGR tax to the IEDA for tourism marketing is \$1.4 million for FY 2027.

Page 5, Line 15

1 1 Section 1. GOALS AND ACCOUNTABILITY — ECONOMIC
 1 2 DEVELOPMENT.
 1 3 1. For the fiscal year beginning July 1, 2026, the goals
 1 4 for the economic development authority shall be to expand and
 1 5 stimulate the state economy, increase the wealth of lowans, and
 1 6 increase the population of the state.

Requires the goals of the Iowa Economic Development Authority (IEDA) to include:

- Expanding and stimulating the State economy.
- Increasing the wealth of lowans.
- Increasing the population of Iowa.

1 7 2. To achieve the goals in subsection 1, the economic
 1 8 development authority shall do all of the following for the
 1 9 fiscal year beginning July 1, 2026:
 1 10 a. Concentrate its efforts on programs and activities that
 1 11 result in commercially viable products and services.
 1 12 b. Adopt practices and services consistent with free
 1 13 market, private sector philosophies.
 1 14 c. Ensure economic growth and development throughout the
 1 15 state.
 1 16 d. Work with businesses and communities to continually
 1 17 improve the economic development climate along with the
 1 18 economic well-being and quality of life for lowans.
 1 19 e. Establish a strong and aggressive marketing image to
 1 20 showcase Iowa's workforce, existing industry, and potential.
 1 21 The authority shall prioritize recruitment of new businesses,
 1 22 business expansion, and retention of existing Iowa businesses.
 1 23 In addition, the authority shall emphasize entrepreneurial
 1 24 development through helping entrepreneurs secure capital,
 1 25 and developing networks and a business climate conducive to
 1 26 entrepreneurs and small businesses.
 1 27 f. Encourage the development of communities and quality of
 1 28 life to foster economic growth.
 1 29 g. Prepare communities for future growth and development
 1 30 through development, expansion, and modernization of
 1 31 infrastructure.
 1 32 h. Develop public-private partnerships with Iowa businesses
 1 33 in the tourism industry, Iowa tour groups, Iowa tourism
 1 34 organizations, and political subdivisions in this state to
 1 35 assist in the development of advertising efforts.

Specifies that to achieve these goals, the IEDA is to do the following:

- Concentrate efforts on programs and activities that result in commercially viable products and services.
- Adopt practices and services consistent with free-market, private-sector philosophies.
- Ensure statewide economic growth and development.
- Work with businesses and communities to improve the economic development climate and the economic well-being and quality of life for lowans.
- Establish a strong and aggressive marketing image to showcase Iowa's workforce, existing industry, and potential.
- Prioritize recruiting new businesses, expanding businesses, and retaining existing Iowa businesses.
- Emphasize entrepreneurial development through helping entrepreneurs secure capital and developing networks and a business climate conducive to entrepreneurs and small businesses.
- Encourage the development of communities and quality of life to foster economic growth.
- Prepare communities for future growth and development through development, expansion, and modernization of infrastructure.
- Develop public-private partnerships with Iowa businesses in the tourism industry, Iowa tour groups, Iowa tourism organizations, and political subdivisions in Iowa to assist in the development of advertising efforts.

2 1 Sec. 2. ECONOMIC DEVELOPMENT AUTHORITY.
 2 2 1. APPROPRIATION

General Fund appropriation to the IEDA for operations.

2 3 a. There is appropriated from the general fund of the state
 2 4 to the economic development authority for the fiscal year
 2 5 beginning July 1, 2026, and ending June 30, 2027, the following
 2 6 amount, or so much thereof as is necessary, to be used for the
 2 7 purposes designated in this subsection:
 2 8 \$ 12,903,510

DETAIL: This is a decrease of \$18,000 compared to estimated net FY 2026, including:

- A decrease of \$125,000 for technological services.
- A decrease of \$143,000 for international trade services.
- An increase of \$250,000 for staffing for the Research and Development Tax Credit.

2 9 b. (1) For salaries, support, miscellaneous purposes,
 2 10 programs, marketing, administration, business development,
 2 11 community development, small business development, and any
 2 12 divisions the authority may organize.
 2 13 (2) For business development operations and programs,
 2 14 international trade, export assistance, workforce recruitment,
 2 15 and the partner state program.
 2 16 (3) For transfer to a fund created pursuant to section
 2 17 15.313 for purposes of financing strategic infrastructure
 2 18 projects.
 2 19 (4) For community economic development programs, tourism
 2 20 operations, community assistance, and the community development
 2 21 block grant.
 2 22 (5) For achieving the goals and accountability, and
 2 23 fulfilling the requirements and duties required under this Act.

Specifies the designated purposes for the appropriation as follows:

- Operating the divisions of the IEDA.
- Funding business development operations and programs, international trade, export assistance, workforce recruitment, and the Partner State Program.
- Transferring moneys to the Strategic Infrastructure Fund.
- Funding community economic development programs, tourism operations, community assistance, and the Community Development Block Grant.
- Achieving the goals and accountability and fulfilling the requirements and duties as specified.

2 24 c. Notwithstanding section 8.33, moneys appropriated in
 2 25 this subsection that remain unencumbered or unobligated at the
 2 26 close of the fiscal year shall not revert but shall remain
 2 27 available for expenditure for the purposes designated in this
 2 28 subsection until the close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated moneys appropriated to the IEDA for the Economic Development appropriation for FY 2027 from the General Fund to remain available for expenditure in FY 2028.

2 29 2. FINANCIAL ASSISTANCE RESTRICTIONS
 2 30 a. A business creating jobs through moneys appropriated in
 2 31 subsection 1 shall be subject to contract provisions requiring
 2 32 new and retained jobs to be filled by individuals who are
 2 33 citizens of the United States who reside within the United
 2 34 States, or individuals authorized to work in the United States
 2 35 pursuant to federal law, including legal resident aliens
 3 1 residing in the United States.
 3 2 b. Any vendor who receives moneys appropriated in
 3 3 subsection 1 shall adhere to such contract provisions and
 3 4 provide periodic assurances as the state shall require that the

Places the following restrictions on funds for the Economic Development appropriation:

- Requires businesses to be subject to contract provisions that require job positions to be filled by individuals who reside in the U.S. who are citizens of the U.S. or are authorized to work in the U.S. pursuant to federal law.
- Requires businesses to adhere to contract provisions and provide periodic assurances of compliance.
- Requires businesses to employ only individuals legally authorized to work in Iowa.

3 5 jobs are filled solely by citizens of the United States who
 3 6 reside within the United States, or individuals authorized to
 3 7 work in the United States pursuant to federal law, including
 3 8 legal resident aliens residing in the United States.
 3 9 c. A business that receives financial assistance from
 3 10 the authority from moneys appropriated in subsection 1 shall
 3 11 only employ individuals legally authorized to work in this
 3 12 state. In addition to all other applicable penalties provided
 3 13 by current law, all or a portion of the assistance received
 3 14 by a business which is found to knowingly employ individuals
 3 15 not legally authorized to work in this state is subject to
 3 16 recapture by the authority.

- Permits the recapture of all or a portion of any financial assistance provided to a business that is found to knowingly employ individuals not legally authorized to work in Iowa.

3 17 3. USES OF APPROPRIATIONS

3 18 a. From the moneys appropriated in subsection 1, the
 3 19 authority may provide financial assistance in the form of
 3 20 grants, loans, or forgivable loans for advanced research and
 3 21 commercialization projects involving value-added agriculture,
 3 22 advanced technology, or biotechnology.

Permits the IEDA to use the funds appropriated in the Economic Development appropriation as follows:

3 23 b. The authority shall not use any moneys appropriated in
 3 24 subsection 1 for purposes of providing financial assistance
 3 25 for any program or project that involves the installation of
 3 26 geothermal systems for melting snow and ice from streets or
 3 27 sidewalks.

- For a program to assist advanced research and commercialization projects involving value-added agriculture, advanced technology, or biotechnology.
- Prohibits the IEDA from using any appropriated funds to provide financial assistance for any project that involves the installation of geothermal systems for melting snow and ice from streets or sidewalks.

3 28 4. WORLD FOOD PRIZE

3 29 In lieu of the standing appropriation in section 15.368,
 3 30 there is appropriated from the general fund of the state to the
 3 31 economic development authority for the fiscal year beginning
 3 32 July 1, 2026, and ending June 30, 2027, the following amount to
 3 33 be used for support of the world food prize:
 3 34 \$ 500,000

Limits the FY 2027 General Fund appropriation to the IEDA for the World Food Prize to \$500,000.

DETAIL: This is a decrease of \$500,000 compared to the standing limited appropriation of \$1,000,000 in Iowa Code section [15.368](#) and is no change compared to estimated net FY 2026. The appropriation is used for administration and support of the World Food Prize and for the Borlaug/Ruan Scholar Program.

3 35 5. TOURISM OFFICE

4 1 a. There is appropriated from the general fund of the state
 4 2 to the economic development authority for the fiscal year
 4 3 beginning July 1, 2026, and ending June 30, 2027, the following
 4 4 amount, or so much thereof as is necessary, to be used for the
 4 5 tourism office for the advertisement, promotion, placement,
 4 6 and implementation of the economic development authority's

General Fund appropriation to the IEDA for financial assistance to the Iowa Tourism Office for advertising, promoting, placing, and implementing the IEDA's strategic plan for tourism and travel.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

4 7 strategic plan for tourism and travel:
 4 8 \$ 1,050,000

4 9 b. Notwithstanding section 8.33, moneys appropriated in
 4 10 this subsection that remain unencumbered or unobligated at the
 4 11 close of the fiscal year shall not revert but shall remain
 4 12 available for expenditure for the purposes designated until the
 4 13 close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated moneys appropriated to the IEDA for FY 2027 from the General Fund for the Iowa Tourism Office to remain available for expenditure through FY 2028.

4 14 c. The economic development authority shall submit an
 4 15 annual report on or before January 15 to the general assembly
 4 16 regarding the tourism office's activities funded with moneys
 4 17 appropriated under this subsection. The report must be
 4 18 provided in an electronic format and must include metrics
 4 19 and criteria that allow the general assembly to quantify and
 4 20 evaluate the effectiveness and economic impact of the tourism
 4 21 office's activities related to the advertisement, promotion,
 4 22 placement, and implementation of the economic development
 4 23 authority's strategic plan for tourism and travel.

Requires the IEDA to submit an annual report by January 15 to the General Assembly regarding the activities of the Iowa Tourism Office funded through the General Fund. The report must include criteria and metrics that allow the General Assembly to quantify and evaluate the effectiveness and economic impact of the Tourism Office's activities related to advertising, promoting, placing, and implementing the IEDA's strategic plan for tourism and travel.

4 24 6. CULTURAL AFFAIRS ACTIVITIES

4 25 a. There is appropriated from the general fund of the state
 4 26 to the economic development authority for the fiscal year
 4 27 beginning July 1, 2026, and ending June 30, 2027, the following
 4 28 amount, or so much thereof as is necessary, to be used for
 4 29 support of the Iowa arts council:
 4 30 \$ 1,601,800

General Fund appropriation to the IEDA for the support of the Iowa Arts Council.

DETAIL: This is a decrease of \$170,000 compared to estimated net FY 2026. This appropriation is used to enrich the quality of life and learning in Iowa communities by encouraging excellence in the arts through leadership, grants, and technical assistance.

4 31 b. Of the moneys appropriated in paragraph "a", the economic
 4 32 development authority shall allocate \$321,800 for deposit in
 4 33 the arts and culture enhancement fund established in section
 4 34 15.436.

Allocates \$321,800 of the Iowa Arts Council General Fund appropriation to the Arts and Culture Enhancement Fund.

DETAIL: Maintains the current allocation amount compared to estimated net FY 2026. The Arts and Culture Enhancement Fund provides grants to individuals and organizations to support artistic and cultural development.

4 35 c. Notwithstanding section 8.33, moneys appropriated in
 5 1 this subsection that remain unencumbered or unobligated at the
 5 2 close of the fiscal year shall not revert but shall remain
 5 3 available for expenditure for the purposes designated until the

CODE: Allows any unencumbered or unobligated moneys appropriated from the General Fund to the IEDA for FY 2027 for the Iowa Arts Council to remain available for expenditure through FY 2028.

5 4 close of the succeeding fiscal year.

5 5 Sec. 3. LIMITATIONS OF STANDING APPROPRIATIONS — FY
5 6 2026-2027. Notwithstanding the standing appropriations in the
5 7 following designated sections for the fiscal year beginning
5 8 July 1, 2026, and ending June 30, 2027, the amount appropriated
5 9 from the general fund of the state pursuant to the following
5 10 sections for the following purposes shall not exceed the
5 11 following amounts:

5 12 1. For the arts and culture enhancement fund under section
5 13 99F.11, subsection 4, paragraph “d”, subparagraph (1):
5 14 \$ 448,403

CODE: Specifies that the standing limited appropriation from the casino adjusted gross receipts (AGR) tax to the IEDA for the Arts and Culture Enhancement Fund is limited to \$448,403 for FY 2027.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. Iowa Code section [99F.11\(4\)\(d\)\(1\)](#) provides a standing limited appropriation of \$520,000 for the Arts and Culture Enhancement Fund.

NOTE: Notwithstanding Iowa Code section [99F.11\(4\)\(d\)\(1\)](#) results in a deposit of \$520,000 from the casino AGR tax into the General Fund. The appropriation of \$448,403 is then made to the IEDA for the Arts and Culture Enhancement Fund.

5 15 2. For the purposes of tourism marketing under section
5 16 99F.11, subsection 4, paragraph “d”, subparagraph (2):
5 17 \$ 1,443,700

CODE: Specifies that the standing General Fund appropriation from the casino AGR tax to the IEDA for tourism marketing is limited to no more than \$1,443,700 for FY 2027.

DETAIL: Maintains the current limitation of funding compared to estimated net FY 2026. Iowa Code section [99F.11\(4\)\(d\)\(2\)](#) provides a standing appropriation to the IEDA for the purposes of tourism marketing. This standing appropriation is based on the total AGR tax collected annually.

NOTE: For FY 2027, it is estimated that \$1,308,012 will be deposited into the General Fund and available for appropriation to the IEDA for tourism marketing under Iowa Code section [99F.11\(4\)\(d\)\(2\)](#).

5 18 Sec. 4. FINANCIAL ASSISTANCE REPORTING — ECONOMIC
 5 19 DEVELOPMENT AUTHORITY. The economic development authority
 5 20 shall submit an annual report to the general assembly no later
 5 21 than November 1, 2026, that details the amount of every direct
 5 22 loan, forgivable loan, tax credit, tax exemption, tax refund,
 5 23 grant, or any other financial assistance awarded to a person
 5 24 during the prior fiscal year by the authority under an economic
 5 25 development program administered by the authority. The report
 5 26 must identify the county where the project associated with each
 5 27 such award is located.

Requires the IEDA to submit an annual report by November 1, 2026, to the General Assembly regarding all financial assistance awards for the prior fiscal year, including the county location of each project.

5 28 Sec. 5. INSURANCE ECONOMIC DEVELOPMENT. From the moneys
 5 29 collected by the insurance division of the department of
 5 30 insurance and financial services in excess of the anticipated
 5 31 gross revenues under section 505.7, subsection 3, during
 5 32 the fiscal year beginning July 1, 2026, \$100,000 shall be
 5 33 transferred to the economic development authority for insurance
 5 34 economic development and international insurance economic
 5 35 development.

Transfers \$100,000 in insurance receipts to the IEDA for insurance economic development and international insurance economic development.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. Funds collected by the Insurance Division of the Department of Insurance and Financial Services in excess of the anticipated gross revenues are allocated to the IEDA for insurance economic development purposes. These funds are used by the IEDA to recruit insurance companies to the State.

6 1 Sec. 6. IOWA FINANCE AUTHORITY.
 6 2 1. There is appropriated from the general fund of the state
 6 3 to the Iowa finance authority for the fiscal year beginning
 6 4 July 1, 2026, and ending June 30, 2027, the following amounts,
 6 5 or so much thereof as is necessary, to be used for the purposes
 6 6 designated:
 6 7 a. To provide reimbursement for rent expenses to eligible
 6 8 persons under the home and community-based services rent
 6 9 subsidy program established in section 16.55:
 6 10 \$ 873,000

General Fund appropriation to the Iowa Finance Authority (IFA) for the Home and Community-Based Services (HCBS) Rent Subsidy Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The HCBS Rent Subsidy Program provides rent assistance to individuals on a Medicaid HCBS waiver. Individuals who are on an HCBS waiver have their health care and other support services paid by the Medicaid Program; however, due to federal law, the Medicaid Program cannot pay for housing unless it is in an institutional setting. The Rent Subsidy Program provides a monthly rent assistance payment to these individuals to help them live successfully in their own homes or communities until they become eligible for any other local, State, or federal rent assistance.

6 11 b. Of the moneys appropriated in paragraph "a", not more
6 12 than \$35,000 may be used for administrative costs.

Permits the IFA to use up to \$35,000 for administrative costs associated with the Rent Subsidy Program.

DETAIL: Maintains the current level of funding compared to the estimated net FY 2026 allocation.

6 13 2. Notwithstanding section 8.33, moneys appropriated in
6 14 this section that remain unencumbered or unobligated at the
6 15 close of the fiscal year shall not revert but shall remain
6 16 available for expenditure for the purposes designated until the
6 17 close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated moneys appropriated to the IFA from the General Fund for the HCBS Rent Subsidy Program for FY 2027 to remain available for expenditure in FY 2028.

6 18 Sec. 7. IOWA FINANCE AUTHORITY AUDIT. The auditor of state
6 19 is requested to review the audit of the Iowa finance authority
6 20 performed by the auditor hired by the authority.

Requests the Auditor of State to review the outside audit of the IFA.

6 21 Sec. 8. DEPARTMENT OF WORKFORCE DEVELOPMENT. There
6 22 is appropriated from the general fund of the state to the
6 23 department of workforce development for the fiscal year
6 24 beginning July 1, 2026, and ending June 30, 2027, the following
6 25 amounts, or so much thereof as is necessary, to be used for the
6 26 purposes designated:

6 27 1. WORKFORCE DEVELOPMENT OPERATIONS
6 28 a. For the operation of field offices and the workforce
6 29 development board:
6 30 \$ 6,902,636

General Fund appropriation to the Iowa Department of Workforce Development (IWD) for the operation of field offices and the Workforce Development Board.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The appropriation is used to support the field offices, the Workforce Development Board, and the State Library. The field offices deliver an integrated network of information resources and workforce development services to job seekers, businesses, employees, students, schools and colleges, and the public at large.

For FY 2027, the total field offices funding is \$11,368,720, which maintains the current level of funding compared to estimated net FY 2026. The funding is from the following sources:

- \$6,752,636 from the General Fund, excluding \$150,000 allocated to the State Library (which must also support the Workforce Development Board).
- \$4,616,084 from the Special Employment Security Contingency Fund (see Section 9 of this Bill).

6 31 b. Of the moneys appropriated in paragraph "a", the
 6 32 department shall allocate \$150,000 to the state library for
 6 33 the purpose of licensing an online resource which prepares
 6 34 individuals to succeed in the workplace through programs which
 6 35 improve job skills and vocational test-taking abilities.

Allocates \$150,000 to the State Library for licensing an online resource to improve job skills and vocational test-taking abilities.

DETAIL: Maintains the current allocation compared to estimated net FY 2026.

7 1 2. OFFENDER REENTRY PROGRAM
 7 2 a. For the development and administration of an offender
 7 3 reentry program to provide offenders with employment skills:
 7 4 \$ 387,158

General Fund appropriation to the IWD for the Offender Reentry Program, also known as the Returning Citizens Initiative.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The appropriation is used to place workforce advisors on site at the Mitchellville, Newton, Mount Pleasant, Rockwell City, Clarinda, and Fort Dodge prisons. This staff works with soon-to-be-released offenders with the goal of having them placed in a job before they leave prison.

7 5 b. The department of workforce development shall partner
 7 6 with the department of corrections to provide staff within
 7 7 the correctional facilities resources to improve offenders'
 7 8 abilities to find and retain productive employment.

Requires the IWD to partner with the Department of Corrections to improve the ability of offenders to find and retain productive employment.

7 9 3. STATE ACCOUNTING SYSTEM
 7 10 For the payment of services provided by the department of
 7 11 administrative services related to the state accounting system:
 7 12 \$ 228,822

General Fund appropriation to the IWD for the expenses of the State Accounting System.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The appropriation is used to reimburse the Department of Administrative Services (DAS) for the expenses of operating the State Accounting System related to use by the IWD.

7 13 4. WORKPLACE INJURY AND SAFETY SURVEYS
 7 14 For the operation of workplace safety surveys and workplace

General Fund appropriation to the IWD for the operation of workplace safety surveys and workplace data collection and

<p>7 15 data collection and analysis, including salaries, support, 7 16 maintenance, and miscellaneous purposes: 7 17 \$ 125,555</p>	<p>analysis. DETAIL: Maintains the current level of funding compared to estimated net FY 2026.</p>
<p>7 18 5. VOCATIONAL REHABILITATION SERVICES DIVISION 7 19 a. For salaries, support, maintenance, and miscellaneous 7 20 purposes: 7 21 \$ 6,226,739</p>	<p>General Fund appropriation to the IWD for the Vocational Rehabilitation Services Division. DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Division assists individuals with disabilities to achieve employment and live independently.</p>
<p>7 22 For purposes of optimizing the job placement of individuals 7 23 with disabilities, the division shall make its best efforts 7 24 to work with community rehabilitation program providers for 7 25 job placement and retention services for individuals with 7 26 significant disabilities and most significant disabilities. By 7 27 January 15, 2027, the division shall submit a written report to 7 28 the general assembly regarding the division's outreach efforts 7 29 with community rehabilitation program providers.</p>	<p>Requires the Vocational Rehabilitation Services Division to work with community rehabilitation program providers for job placement and retention services for individuals with significant and most significant disabilities. The Division is required to submit a written report to the General Assembly by January 15, 2027, detailing the Division's outreach efforts with community rehabilitation program providers.</p>
<p>7 30 b. For the entrepreneurs with disabilities program 7 31 described in section 84H.4: 7 32 \$ 138,506</p>	<p>General Fund appropriation to the IWD for the Entrepreneurs with Disabilities Program. DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Program provides business development funds in the form of technical assistance and financial assistance to qualified individuals with disabilities who start, expand, or acquire a business within the State.</p>
<p>7 33 6. ADULT EDUCATION AND LITERACY PROGRAMS 7 34 For distribution as grants to community colleges for 7 35 the purpose of adult basic education programs for students 8 1 requiring instruction in English as a second language: 8 2 \$ 500,000</p>	<p>General Fund appropriation to the IWD for distribution to community colleges for adult education and literacy programs for the following:</p> <ul style="list-style-type: none"> • Adult basic education. • Adult education leading to a high school equivalency diploma. • Instruction in English as a second language. • Workplace and family literacy instruction.

	<p>DETAIL: Maintains the current level of funding compared to estimated net FY 2026. This appropriation is in addition to a \$4,500,000 appropriation from the Skilled Worker and Job Creation Fund (SWJCF) for the same programs in Section 10 of this Bill.</p>
<p>8 3 In issuing grants under this subsection, the department of 8 4 workforce development shall use the same application process 8 5 and criteria as are used for purposes of awarding grants to 8 6 community colleges for the purpose of adult basic education 8 7 programs for students requiring instruction in English as a 8 8 second language using moneys that are appropriated to the 8 9 department from the Iowa skilled worker and job creation fund 8 10 created in section 8.57J.</p>	<p>Requires the IWD to use the same application process and criteria when issuing grants from this General Fund appropriation that are used when awarding grants to community colleges for adult basic education programs for instruction in English as a second language from the SWJCF.</p>
<p>8 11 7. REGISTERED APPRENTICESHIP PROGRAMS 8 12 For the funding of the registered apprenticeship programs 8 13 under chapter 84F to encourage small to midsize businesses to 8 14 start or grow registered apprenticeships: 8 15 \$ 760,000</p>	<p>General Fund appropriation to the IWD for registered apprenticeship programs for small to midsize businesses.</p> <p>DETAIL: Maintains the current level of funding compared to estimated net FY 2026.</p>
<p>8 16 8. REVERSION 8 17 Notwithstanding section 8.33, moneys appropriated in this 8 18 section that remain unencumbered or unobligated at the close of 8 19 the fiscal year shall not revert but shall remain available for 8 20 expenditure for the purposes designated until the close of the 8 21 succeeding fiscal year.</p>	<p>CODE: Allows any unencumbered or unobligated moneys appropriated to the IWD from the General Fund for FY 2027 under Section 8 of this Bill to remain available for expenditure in FY 2028.</p>
<p>8 22 Sec. 9. DEPARTMENT OF WORKFORCE DEVELOPMENT — SPECIAL 8 23 EMPLOYMENT SECURITY CONTINGENCY FUND. 8 24 1. There is appropriated from the special employment 8 25 security contingency fund created in section 96.13 to the 8 26 department of workforce development for the fiscal year 8 27 beginning July 1, 2026, and ending June 30, 2027, the following 8 28 amount, or so much thereof as is necessary, to be used for 8 29 field offices: 8 30 \$ 4,616,084</p>	<p>Special Employment Security Contingency Fund appropriation to the IWD for the operation of field offices. This Fund is also known as the Penalty and Interest or P&I Fund and is created in Iowa Code section 96.13(3).</p> <p>DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The field offices deliver an integrated network of information resources and workforce development services to job seekers, businesses, employees, students, schools and colleges, and the public at large.</p>

8 31 2. Any remaining additional penalty and interest revenue
 8 32 collected by the department of workforce development is
 8 33 appropriated to the department for the fiscal year beginning
 8 34 July 1, 2026, and ending June 30, 2027, to accomplish the
 8 35 mission of the department.

NOTE: Total funding for field offices is discussed in Section 8.1 of this Bill.

Appropriates any remaining additional penalty and interest revenues to be used as needed by the IWD.

NOTE: Iowa Code section [96.13\(3\)\(b\)](#) requires the IWD to annually report to the Economic Development Appropriations Subcommittee on plans for expenditures during the next State fiscal year from the Special Employment Security Contingency Fund. The report must describe the specific expenditures and explain why the expenditures are to be made from the Fund and not from federal administrative funds.

9 1 Sec. 10. IOWA SKILLED WORKER AND JOB CREATION FUND.

9 2 1. There is appropriated from the Iowa skilled worker and
 9 3 job creation fund created in section 8.57J to the following
 9 4 departments, agencies, and institutions for the fiscal year
 9 5 beginning July 1, 2026, and ending June 30, 2027, the following
 9 6 amounts, or so much thereof as is necessary, to be used for the
 9 7 purposes designated:

9 8 a. ECONOMIC DEVELOPMENT AUTHORITY

9 9 (1) For providing financial assistance to eligible
 9 10 businesses for the business incentives for growth program
 9 11 pursuant to chapter 15, subchapter II, part 33:
 9 12 \$ 11,700,000

SWJCF appropriation to the IEDA for the [Business Incentives for Growth \(BIG\) Program](#).

DETAIL: The BIG Program was created in 2025 Iowa Acts, [Senate File 657](#) (Economic Development Programs and Credits Act), as a successor to the High Quality Jobs Program. Maintains the current level of funding compared to the High Quality Jobs Program appropriation for estimated net FY 2026. The appropriation may be used to provide cash incentives for the following:

- Innovation and commercialization
- Disaster recovery
- Entrepreneur investment awards
- Strategic infrastructure
- Property remediation
- Building remediation

	<ul style="list-style-type: none"> • Financial assistance to businesses eligible for BIG Program tax incentives • Support and administrative expenses
<p>9 13 (a) Of the moneys appropriated in this subparagraph (1), 9 14 not more than \$1,000,000 may be used for purposes of providing 9 15 infrastructure grants to main street communities under the main 9 16 street Iowa program.</p>	<p>Permits the IEDA to use no more than \$1,000,000 of this appropriation for the Main Street Iowa Program.</p> <p>DETAIL: Maintains the current funding level authorized for the Main Street Iowa Program compared to estimated net FY 2026.</p>
<p>9 17 (b) As a condition of receiving moneys appropriated in this 9 18 subparagraph (1), an entity shall testify upon the request of 9 19 the joint appropriations subcommittee on economic development 9 20 regarding the expenditure of such moneys.</p>	<p>Requires recipients of BIG Program funds to testify regarding the use of the funds at the request of the Economic Development Appropriations Subcommittee.</p>
<p>9 21 (2) For support of the manufacturing 4.0 technology 9 22 investment program established in section 15.371: 9 23 \$ 2,350,000</p>	<p>SWJCF appropriation to the IEDA for the Manufacturing 4.0 Program.</p> <p>DETAIL: This is an increase of \$333,325 compared to estimated net FY 2026. The Program provides grants to assist small- and mid-sized companies with the adoption and integration of smart technologies into existing operations.</p>
<p>9 24 (3) For the empower rural Iowa program: 9 25 \$ 700,000</p>	<p>SWJCF appropriation to the IEDA for the Empower Rural Iowa Program.</p> <p>DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Program is a continuation of the Empower Rural Iowa Housing Needs Assessment Grant Program, which provides support for small communities in obtaining housing-related information specific to the community, and the Empower Rural Iowa Rural Innovation Grants Program, which supports innovative rural grants.</p>
<p>9 26 b. STATE BOARD OF REGENTS AND REGENTS INSTITUTIONS 9 27 (1) STATE BOARD OF REGENTS. For capacity building 9 28 infrastructure in areas related to technology 9 29 commercialization, marketing and business development 9 30 efforts in areas related to technology commercialization,</p>	<p>SWJCF appropriation to the Board of Regents (BOR) for capacity building infrastructure in areas related to technology commercialization, marketing and business development efforts, and infrastructure projects and programs needed to assist in implementation of activities under Iowa Code chapter 262B.</p>

<p>9 31 entrepreneurship, and business growth, and infrastructure 9 32 projects and programs needed to assist in implementation of 9 33 activities under chapter 262B: 9 34 \$ 3,000,000</p>	<p>DETAIL: Maintains the current level of funding compared to estimated net FY 2026.</p>
<p>9 35 (a) Of the moneys appropriated pursuant to this 10 1 subparagraph (1), 35 percent shall be allocated for Iowa state 10 2 university of science and technology, 35 percent shall be 10 3 allocated for the state university of Iowa, and 30 percent 10 4 shall be allocated for the university of northern Iowa.</p>	<p>Specifies the allocation of the BOR funding among the three Regents universities as follows:</p> <ul style="list-style-type: none"> • Iowa State University (ISU): \$1,050,000 • University of Iowa (SUI): \$1,050,000 • University of Northern Iowa (UNI): \$900,000
<p>10 5 (b) The institutions shall provide a one-to-one match 10 6 of additional moneys for the activities funded with moneys 10 7 appropriated under this subparagraph (1).</p>	<p>Requires the Regents universities to provide a one-to-one match of funding received from the BOR funding.</p>
<p>10 8 (c) The state board of regents shall submit a report by 10 9 January 15, 2027, to the governor and the general assembly 10 10 regarding the activities, projects, and programs funded with 10 11 moneys appropriated under this subparagraph (1). The report 10 12 must be provided in an electronic format and must include a 10 13 list of metrics and criteria mutually agreed to in advance by 10 14 the board of regents and the economic development authority. 10 15 The metrics and criteria must allow the governor's office and 10 16 the general assembly to quantify and evaluate the progress 10 17 of the board of regents institutions with regard to their 10 18 activities, projects, and programs in the areas of technology 10 19 commercialization, entrepreneurship, regional development, and 10 20 market research.</p>	<p>Requires the BOR to submit a report by January 15, 2027, to the Governor and the General Assembly regarding the use of the appropriation to the BOR for activities, projects, and programs in the areas of technology commercialization, entrepreneurship, regional development, and market research.</p>
<p>10 21 (2) IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY. For 10 22 small business development centers, the research park, and the 10 23 center for industrial research and service: 10 24 \$ 2,424,302</p>	<p>SWJCF appropriation to ISU for ongoing economic development efforts related to Small Business Development Centers (SBDCs), the ISU Research Park, and the Center for Industrial Research and Service (CIRAS).</p> <p>DETAIL: Maintains the current level of funding compared to estimated net FY 2026.</p>
<p>10 25 (a) Of the moneys appropriated in this subparagraph (2), 10 26 Iowa state university of science and technology shall allocate 10 27 at least \$735,728 for purposes of funding small business</p>	<p>Specifies that at least \$735,728 of the appropriation must be allocated to the SBDCs.</p>

10 28 development centers. Iowa state university of science and
 10 29 technology may allocate the appropriated moneys to the various
 10 30 small business development centers in any manner necessary to
 10 31 achieve the purposes of this subparagraph (2).

DETAIL: Maintains the current minimum allocation compared to estimated net FY 2026.

10 32 (b) Iowa state university of science and technology shall
 10 33 do all of the following:
 10 34 (i) Direct expenditures for research toward projects that
 10 35 will provide economic stimulus for Iowa.
 11 1 (ii) Emphasize providing services to Iowa-based companies.

Requires ISU to focus expenditures on projects that will provide economic stimulus for Iowa and emphasize the provision of services to Iowa-based companies.

11 2 (c) It is the intent of the general assembly that the
 11 3 center for industrial research and service industrial incentive
 11 4 program focus on Iowa industrial sectors and seek contributions
 11 5 and in-kind donations from businesses, industrial foundations,
 11 6 and trade associations, and that moneys for the program shall
 11 7 be allocated only for projects which are matched by private
 11 8 sector moneys for directed contract research or for nondirected
 11 9 research. The match required of small businesses as defined
 11 10 in section 15.102 for directed contract research or for
 11 11 nondirected research shall be \$1 for each \$3 of state funds.
 11 12 The match required for other businesses for directed contract
 11 13 research or for nondirected research shall be \$1 for each \$1 of
 11 14 state funds. The match required of industrial foundations or
 11 15 trade associations shall be \$1 for each \$1 of state funds.

Specifies the intent of the General Assembly that the Industrial Incentive Program focus on Iowa industrial sectors and seek contributions and in-kind donations from businesses, industrial foundations, and trade associations. Specifies matching requirements under the Program as follows:

- For small businesses for directed contract research or nondirected research, \$1 for every \$3 of State funds.
- For other businesses for directed contract research or nondirected research, \$1 for every \$1 of State funds.
- For industrial foundations or trade associations, \$1 for every \$1 of State funds.

11 16 (d) Iowa state university of science and technology shall
 11 17 report annually to the general assembly the total amount of
 11 18 private contributions, the proportion of contributions from
 11 19 small businesses and other businesses, and the proportion for
 11 20 directed contract research and nondirected research of benefit
 11 21 to Iowa businesses and industrial sectors.

Requires ISU to report annually to the General Assembly regarding the total amount of private contributions received, the proportion of those contributions that are from small businesses and other businesses, and the proportion used for directed contract research and nondirected research.

11 22 (3) STATE UNIVERSITY OF IOWA
 11 23 (a) For the state university of Iowa research park and for
 11 24 university of Iowa pharmaceuticals located at the research
 11 25 park, including salaries, support, maintenance, equipment, and
 11 26 miscellaneous purposes:
 11 27 \$ 209,279

SWJCF appropriation to the SUI for ongoing economic development efforts, including the SUI Research Park and the Pharmaceuticals Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

<p>11 28 The state university of Iowa shall do all of the following: 11 29 (i) Direct expenditures for research toward projects that 11 30 will provide economic stimulus for Iowa. 11 31 (ii) Emphasize providing services to Iowa-based companies.</p>	<p>Requires the SUI to focus expenditures on projects that will provide economic stimulus for Iowa and emphasize providing services to Iowa-based companies.</p>
<p>11 32 (b) For the purpose of implementing the entrepreneurship 11 33 and economic growth initiative: 11 34 \$ 2,000,000</p>	<p>SWJCF appropriation to the SUI for the Entrepreneurship and Economic Growth Initiative.</p> <p>DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The appropriation is to expand public-private partnerships and programming through the John Pappajohn Entrepreneurial Center.</p>
<p>11 35 (4) UNIVERSITY OF NORTHERN IOWA 12 1 (a) For the metal casting and foundry 4.0 centers, 12 2 advance Iowa, family business center, and the institute for 12 3 decision making, including salaries, support, maintenance, and 12 4 miscellaneous purposes: 12 5 \$ 1,466,419</p>	<p>SWJCF appropriation to the UNI for ongoing economic development efforts related to the Metal Casting Center, the Foundry 4.0 Center, Advance Iowa, the Family Business Center, and the Institute for Decision Making.</p> <p>DETAIL: Maintains the current level of funding compared to estimated net FY 2026.</p>
<p>12 6 The university of northern Iowa shall do all of the 12 7 following: 12 8 (i) Direct expenditures for research toward projects that 12 9 will provide economic stimulus for Iowa. 12 10 (ii) Emphasize providing services to Iowa-based companies.</p>	<p>Requires the UNI to focus expenditures on projects that will provide economic stimulus for Iowa and to emphasize providing services to Iowa-based companies.</p>
<p>12 11 (b) For the purpose of providing in-state undergraduate 12 12 tuition and undergraduate mandatory fees to individuals 12 13 who reside in a state contiguous to Iowa, who enroll in an 12 14 undergraduate program offered by the university of northern 12 15 Iowa, and who are classified as residents of this state for 12 16 purposes of undergraduate tuition and undergraduate mandatory 12 17 fees: 12 18 \$ 1,000,000</p>	<p>SWJCF appropriation to the UNI to provide in-state tuition and mandatory fees to undergraduate students who reside in a state contiguous to Iowa.</p> <p>DETAIL: This is a new appropriation for FY 2027.</p>
<p>12 19 (c) For the purpose of expanding the nursing program: 12 20 \$ 600,000</p>	<p>SWJCF appropriation to the UNI to expand the nursing program.</p> <p>DETAIL: This is a new appropriation for FY 2027.</p>

<p>12 21 (5) DUTY TO TESTIFY 12 22 As a condition of receiving moneys appropriated in this 12 23 lettered paragraph "b", an entity shall testify upon the 12 24 request of the joint appropriations subcommittee on economic 12 25 development regarding the expenditure of such moneys.</p>	<p>Requires recipients of SWJCF appropriations to the BOR to testify regarding the use of the funds appropriated at the request of the Economic Development Appropriations Subcommittee.</p>
<p>12 26 c. DEPARTMENT OF WORKFORCE DEVELOPMENT 12 27 (1) For staffing costs related to completing workforce 12 28 preparation outcome reporting in conjunction with the 12 29 department of education: 12 30 \$ 125,000</p>	<p>SWJCF appropriation to the IWD for workforce preparation outcome reporting in conjunction with the Department of Education.</p> <p>DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The appropriation supports the collection and reporting of data related to the educational and employment outcomes of workforce preparation programs receiving funding from the SWJCF.</p>
<p>12 31 (2) For distribution to community colleges for the purposes 12 32 of implementing adult education and literacy programs pursuant 12 33 to section 84A.19: 12 34 \$ 4,500,000</p>	<p>SWJCF appropriation to the IWD for distribution to community colleges for adult education and literacy programs for the following:</p> <ul style="list-style-type: none"> • Adult basic education. • Adult education leading to a high school equivalency diploma. • Instruction in English as a second language. • Workplace and family literacy instruction. <p>DETAIL: This is a decrease of \$1,000,000 compared to estimated net FY 2026. This appropriation is in addition to a \$500,000 General Fund appropriation for the same programs in Section 8.6 of this Bill.</p>
<p>12 35 (a) From the moneys appropriated in this numbered 13 1 subparagraph, \$3,125,000 shall be allocated pursuant to the 13 2 formula established in section 260C.18C.</p>	<p>Requires \$3,125,000 of the appropriation for adult education and literacy programs to be allocated to community colleges using the formula established in statute for the distribution of State general aid.</p> <p>DETAIL: This is a decrease of \$758,000 compared to the estimated net FY 2026 allocation.</p>

13 3 (b) From the moneys appropriated in this numbered
13 4 subparagraph, not more than \$150,000 shall be used by the
13 5 department of workforce development for implementation of adult
13 6 education and literacy programs pursuant to section 84A.19.

Permits the IWD to use up to \$150,000 of the appropriation for implementation of adult education and literacy programs.

DETAIL: Maintains the current level of funding compared to the estimated net FY 2026 allocation.

13 7 (c) From the moneys appropriated in this numbered
13 8 subparagraph, not more than \$1,015,000 shall be distributed
13 9 as grants to community colleges for the purpose of adult
13 10 basic education programs for students requiring instruction
13 11 in English as a second language. The department of workforce
13 12 development shall establish an application process and criteria
13 13 to award grants pursuant to this subparagraph division to
13 14 community colleges. The criteria must be based on need for
13 15 instruction in English as a second language in the region
13 16 served by each community college as determined by factors
13 17 including data from the latest federal decennial census and
13 18 outreach efforts to determine regional needs.

Permits the IWD to use up to \$1,015,000 of the appropriation as grants to community colleges for adult basic education programs for students requiring instruction in English as a second language. Requires the IWD to establish an application process and criteria to award grants to community colleges. The criteria are required to be based on need for instruction in English as a second language in the region served by each community college.

DETAIL: This is a decrease of \$242,000 compared to the estimated net FY 2026 allocation.

13 19 (d) From the moneys appropriated in this numbered
13 20 subparagraph, \$210,000 shall be transferred to the department
13 21 of health and human services for purposes of administering
13 22 a program to provide access to international resources to
13 23 lowans and new lowans to provide economic and leadership
13 24 development resulting in Iowa being a more welcoming place
13 25 to live, work, and raise a family. The program must provide
13 26 supplemental support services for international refugees to
13 27 improve learning, English literacy, life skills, cultural
13 28 competencies, and integration in a county with a population
13 29 over 350,000 as determined by the 2020 federal decennial
13 30 census. The department of health and human services shall
13 31 utilize a request-for-proposals process to identify the entity
13 32 best qualified to implement the program.

Requires \$210,000 of the appropriation to be transferred to the Department of Health and Human Services (HHS) for a program that provides supplemental support services to international refugees. The program must provide supplemental support services for international refugees to improve learning, English literacy, life skills, cultural competencies, and integration in a county with a population over 350,000 as determined by the 2020 federal decennial census. The HHS must utilize a request for proposals (RFP) process to identify the entity best qualified to implement the program.

DETAIL: Maintains the current level of funding compared to the estimated net FY 2026 allocation.

13 33 2. Notwithstanding section 8.33, moneys appropriated in
13 34 this section that remain unencumbered or unobligated at the
13 35 close of the fiscal year shall not revert but shall remain
14 1 available for expenditure for the purposes designated until the
14 2 close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated moneys appropriated from the SWJCF to the IEDA, the BOR, and the IWD for FY 2027 to remain available for expenditure in FY 2028.

14 3 Sec. 11. GENERAL FUND — CERTAIN REGENTS INSTITUTIONS.
 14 4 1. There is appropriated from the general fund of the state
 14 5 to the following institutions for the fiscal year beginning
 14 6 July 1, 2026, and ending June 30, 2027, the following amounts,
 14 7 or so much thereof as is necessary, to be used for the purposes
 14 8 designated:

14 9 a. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY
 14 10 In cooperation with the economic development authority, for
 14 11 support of a biosciences innovation ecosystem, to strengthen
 14 12 Iowa's leadership positions in the area of bio-based chemicals,
 14 13 digital agriculture, vaccines, and medical devices, including
 14 14 salaries, support, maintenance, and miscellaneous purposes:
 14 15 \$ 2,963,995

General Fund appropriation to ISU for support of a biosciences innovation ecosystem.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The funding is used to strengthen Iowa's leadership positions in the area of bio-based chemicals, digital agriculture, vaccines, and medical devices.

14 16 b. STATE UNIVERSITY OF IOWA
 14 17 In cooperation with the economic development authority, for
 14 18 support of a biosciences innovation ecosystem, to strengthen
 14 19 Iowa's leadership positions in the area of bio-based chemicals,
 14 20 digital agriculture, vaccines, and medical devices, including
 14 21 salaries, support, maintenance, and miscellaneous purposes:
 14 22 \$ 1,000,000

General Fund appropriation to the SUI for support of a biosciences innovation ecosystem.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The funding is used to strengthen Iowa's leadership positions in the area of bio-based chemicals, digital agriculture, vaccines, and medical devices.

14 23 c. UNIVERSITY OF NORTHERN IOWA
 14 24 For equipment and technology to expand the university's
 14 25 additive manufacturing capabilities related to investment
 14 26 castings technology and industry support, including salaries,
 14 27 support, maintenance, and miscellaneous purposes:
 14 28 \$ 394,321

General Fund appropriation to the UNI for expansion of additive manufacturing.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The funding is used for the UNI Metal Casting Center's additive manufacturing capabilities related to investment castings technology and industry support.

14 29 The university of northern Iowa shall make a good-faith
 14 30 effort to coordinate with private entities to seek moneys to
 14 31 supplement this appropriation to support the expansion of the
 14 32 university's additive manufacturing capabilities.

Requires the UNI to make a good-faith effort to coordinate support from private entities for the expansion of additive manufacturing.

14 33 2. Notwithstanding section 8.33, moneys appropriated in
14 34 subsection 1, paragraphs "a" and "b", that remain unencumbered
14 35 or unobligated at the close of the fiscal year shall not revert
15 1 but shall remain available for expenditure for the purposes
15 2 designated until the close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated moneys appropriated from the General Fund to the SUI and to ISU for support of a biosciences innovation ecosystem for FY 2027 to remain available for expenditure through FY 2028.

Economic Development General Fund

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Senate Approp FY 2027 (3)	Sen Appr FY27 vs Est Net FY 2026 (4)	Page and Line # (5)
<u>Economic Development Authority</u>					
Economic Development Authority					
Economic Development Appropriation	\$ 12,921,510	\$ 12,921,510	\$ 12,903,510	\$ -18,000	PG 2 LN 1
World Food Prize	650,000	500,000	500,000	0	PG 3 LN 28
Councils of Governments (COGs) Assistance	350,000	350,000	0	-350,000	
Community Advertising and Strategic Plan	1,100,000	1,050,000	1,050,000	0	PG 3 LN 35
Community Cultural Grants	172,090	0	0	0	
Iowa Arts Council	1,450,000	1,771,800	1,601,800	-170,000	PG 4 LN 31
Great Places	149,710	0	0	0	
Cultural Trust Grants	150,000	0	0	0	
Arts and Culture Enhancement	428,282	448,403	448,403	0	PG 5 LN 12
Tourism Marketing - Adjusted Gross Receipts	1,443,700	1,443,700	1,443,700	0	PG 5 LN 15
Court Reporter Equipment Incentive Program	100,000	0	0	0	
Total Economic Development Authority	\$ 18,915,292	\$ 18,485,413	\$ 17,947,413	\$ -538,000	
<u>Iowa Finance Authority</u>					
Iowa Finance Authority					
Rent Subsidy Program	\$ 873,000	\$ 873,000	\$ 873,000	\$ 0	PG 6 LN 1
Housing Renewal Pilot Program	550,000	550,000	0	-550,000	
Total Iowa Finance Authority	\$ 1,423,000	\$ 1,423,000	\$ 873,000	\$ -550,000	

Economic Development General Fund

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Senate Approp FY 2027 (3)	Sen Appr FY27 vs Est Net FY 2026 (4)	Page and Line # (5)
<u>Workforce Development, Department of</u>					
IWD - Vocational Rehabilitation Services					
Vocational Rehabilitation	\$ 6,226,739	\$ 0	\$ 0	\$ 0	
Independent Living	84,804	0	0	0	
Entrepreneurs with Disabilities Program	138,506	0	0	0	
Independent Living Center Grant	86,547	0	0	0	
IWD - Vocational Rehabilitation Services	\$ 6,536,596	\$ 0	\$ 0	\$ 0	
Iowa Workforce Development					
Operations - Field Offices	\$ 6,902,636	\$ 6,902,636	\$ 6,902,636	\$ 0	PG 6 LN 27
Offender Reentry Program	387,158	387,158	387,158	0	PG 7 LN 1
State Accounting System	228,822	228,822	228,822	0	PG 7 LN 9
Workplace Injury and Safety Surveys	125,555	125,555	125,555	0	PG 7 LN 13
Future Ready Summer Youth Intern Program	250,000	250,000	0	-250,000	
Vocational Rehabilitation Services	0	6,226,739	6,226,739	0	PG 7 LN 18
Independent Living	0	84,804	0	-84,804	
Entrepreneurs with Disabilities Program	0	138,506	138,506	0	PG 7 LN 30
Independent Living Center Grant	0	86,547	0	-86,547	
Adult Education and Literacy Programs	500,000	500,000	500,000	0	PG 7 LN 33
Future Ready Reg. Apprenticeship Prog.	760,000	760,000	760,000	0	PG 8 LN 11
Employee Misclassification Program	379,631	379,631	0	-379,631	
Iowa Workforce Development	\$ 9,533,802	\$ 16,070,398	\$ 15,269,416	\$ -800,982	
Total Workforce Development, Department of	\$ 16,070,398	\$ 16,070,398	\$ 15,269,416	\$ -800,982	
<u>Regents, Board of</u>					
Regents, Board of					
ISU - Biosciences Innovation Ecosystem	\$ 2,963,995	\$ 2,963,995	\$ 2,963,995	\$ 0	PG 14 LN 9
SUI - Biosciences Innovation Ecosystem	1,000,000	1,000,000	1,000,000	0	PG 14 LN 16
UNI - Additive Manufacturing	394,321	394,321	394,321	0	PG 14 LN 23
Total Regents, Board of	\$ 4,358,316	\$ 4,358,316	\$ 4,358,316	\$ 0	
Total Economic Development	\$ 40,767,006	\$ 40,337,127	\$ 38,448,145	\$ -1,888,982	

Economic Development Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Senate Approp FY 2027 (3)	Sen Appr FY27 vs Est Net FY 2026 (4)	Page and Line # (5)
<u>Economic Development Authority</u>					
Economic Development Authority					
High Quality Jobs Program - SWJCF	\$ 11,700,000	\$ 11,700,000	\$ 0	\$ -11,700,000	
Business Incentives for Growth - SWJCF	0	0	11,700,000	11,700,000	PG 9 LN 8
Manufacturing 4.0 Program - SWJCF	2,016,675	2,016,675	2,350,000	333,325	PG 9 LN 21
Empower Rural Iowa Program - SWJCF	700,000	700,000	700,000	0	PG 9 LN 24
Total Economic Development Authority	\$ 14,416,675	\$ 14,416,675	\$ 14,750,000	\$ 333,325	
<u>Workforce Development, Department of</u>					
Iowa Workforce Development					
Field Offices - Spec Cont Fund	\$ 2,416,084	\$ 4,616,084	\$ 4,616,084	\$ 0	PG 8 LN 22
Field Offices - UI Reserve Interest	2,200,000	0	0	0	
AMOS Mid-Iowa Organizing Strategy - SWJCF	100,000	0	0	0	
Workforce Prep Outcome Rep - SWJCF	0	125,000	125,000	0	PG 12 LN 26
Adult Ed and Literacy for the Workforce - SWJCF	5,500,000	5,500,000	4,500,000	-1,000,000	PG 12 LN 31
STEM Internships - SWJCF	633,325	633,325	0	-633,325	
Total Workforce Development, Department of	\$ 10,849,409	\$ 10,874,409	\$ 9,241,084	\$ -1,633,325	
<u>Regents, Board of</u>					
Regents, Board of					
Regents Innovation Fund - SWJCF	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 0	PG 9 LN 26
ISU - Economic Development - SWJCF	2,424,302	2,424,302	2,424,302	0	PG 10 LN 21
SUI - Economic Development - SWJCF	209,279	209,279	209,279	0	PG 11 LN 22
SUI - Entrepreneur and Econ Growth - SWJCF	2,000,000	2,000,000	2,000,000	0	PG 11 LN 32
UNI - Economic Development - SWJCF	1,466,419	1,466,419	1,466,419	0	PG 11 LN 35
UNI - Workforce Development - SWJCF	0	0	1,000,000	1,000,000	PG 12 LN 11
UNI - Nursing Program Expansion - SWJCF	0	0	600,000	600,000	PG 12 LN 19
Total Regents, Board of	\$ 9,100,000	\$ 9,100,000	\$ 10,700,000	\$ 1,600,000	
Total Economic Development	\$ 34,366,084	\$ 34,391,084	\$ 34,691,084	\$ 300,000	