

**NINETY-FIRST GENERAL ASSEMBLY
2026 REGULAR SESSION
DAILY
SENATE CLIP SHEET**

March 16, 2026

Clip Sheet Summary

Displays all amendments, fiscal notes, and conference committee reports for previous day.

Bill	Amendment	Action	Sponsor
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No amendments filed on March 12, 2026

Fiscal Notes

[SF 2205](#) — [Massage Establishment Licensing](#) (LSB5401SV)

[SF 2302](#) — [Career Development Office Meetings, Colleges and Universities](#) (LSB5116SV)

[SF 2434](#) — [Local Government Ordinances and Public Notices](#) (LSB5337SV)

[SF 2455](#) — [Non-Network Medical Billing](#) (LSB6871SV)

[HF 2518](#) — [Public Assistance Rate Reviews, Annual Reporting to General Assembly](#) (LSB5344HV)

[HF 2584](#) — [Drug-Free Homeless Service Zones](#) (LSB6885HV)

[HF 2670](#) — [Duties of State Board and Director of Education and Educational Standards](#) (LSB5669HV)



Fiscal Note

Fiscal Services Division



[SF 2205](#) – Massage Establishment Licensing (LSB5401SV)
Staff Contact: Xavier Leonard (515.725.0509) xavier.leonard@legis.iowa.gov
Fiscal Note Version – New

Description

[Senate File 2205](#) requires the licensure of massage therapy establishments beginning January 1, 2027. The Bill provides requirements for a massage establishment to become licensed, including that the owner of the establishment must submit to a national criminal history check, the payment of the license fee determined in Iowa Code section [147.80](#), and recordkeeping. The Bill requires a person under investigation by a peace officer to provide a copy of the establishment license. A person who fails to provide a copy of the establishment license is guilty of a serious misdemeanor. The Bill also imposes civil fines of \$1,000 for each offense, with a maximum penalty of \$10,000 for continued violations for a person who operates a massage therapy establishment without a license.

The [Board of Massage Therapy](#) is required to adopt administrative rules implementing the Bill. The Department of Inspections, Appeals, and Licensing (DIAL) may adopt administrative rules implementing the Bill.

Background

Currently, massage therapists are required to be licensed in the State; however, massage therapy establishments are not required to obtain licensure.

Under current law, practicing as a massage therapist without a license or employing an individual as a massage therapist who is not licensed may result in civil fines of up to \$1,000 per offense, with a maximum penalty of \$10,000 for continued violations.

The DIAL is currently implementing a new Administrative Licensing and Inspection Governance Network (ALIGN) system that will handle the Department’s licensing, permitting, inspection, and case management needs.

A serious misdemeanor is punishable by confinement for no more than one year and a fine of at least \$430 but not to exceed \$2,560.

Assumptions

- There are currently 700 massage therapy establishments in the State, all of which will apply for licensure in FY 2027. Each subsequent year, 35 additional massage therapy establishments will apply for licensure.
- According to DIAL, massage therapy establishment licensure will last three years before renewal is required.
- According to DIAL, the creation of a new license type in the ALIGN system will be required at a one-time cost of \$60,000.
- According to DIAL, both the initial licensing fee and the renewal fee will be \$400.

- According to DIAL, 0.5 Clerk Specialist full-time equivalent (FTE) position will be needed to process licenses in FY 2027, and 0.1 Clerk Specialist FTE position will be needed in subsequent years at an annual cost of \$55,000 per FTE.
- According to DIAL, 2.0 Compliance Officer 1 FTE positions will be needed to investigate and inspect massage therapy establishments at an annual cost of \$82,000 per FTE.
- License fees will be deposited into the Licensing and Regulation Fund (LRF).
- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay (LOS); revocation rates; plea bargaining; and other criminal justice system policies and practices.
- County jail data is unavailable. For purposes of this analysis, the marginal cost for county jails is assumed to be \$50 per day.
- Conviction data reflects the total number of convictions in adult court, which may include multiple convictions per individual. Not all convictions lead to incarceration, and there may be a delay between conviction and prison admission, which can contribute to differences in totals.
- A six-month delay is assumed from the effective date of the Bill to the date the first offender will enter the correctional system.
- Offender-based convictions are a count of individuals convicted of the same offense. Each offender is counted only once per Iowa Code section, regardless of the number of individual convictions.
- Admissions are a count of individuals newly admitted to the Department of Corrections (DOC) for supervision during a selected time period, based on the most serious offense committed.

Correctional Impact

Senate File 2205 creates a new offense. The correctional impact cannot be determined because the number of new convictions under the Bill is unknown. **Figure 1** shows estimates for sentencing to State prison, parole, probation, or Community-Based Corrections (CBC) residential facilities; LOS in months under those supervisions; and supervision marginal costs per day for a serious misdemeanor.

Figure 1 — Sentencing Estimates and Length of Stay (LOS) in Months

Conviction Offense Class	Percent Ordered to State Prison	FY 2025 Avg LOS in Prison (All Releases)	Marginal Cost Per Day Prison	Percent Ordered to Probation	FY 2025 Field Avg LOS on Probation	Avg Cost Per Day Probation	Marginal Cost Per Day CBC	Marginal Cost Per Day Jail	FY 2025 Field Avg LOS on Parole	Marginal Cost Per Day Parole
Serious Misdemeanor	2.3%	7.3	\$23.07	44.8%	21.0	\$8.00	\$16.35	\$50.00	N/A	\$8.00

Refer to the Legislative Services Agency (LSA) memo addressed to the General Assembly, [Cost Estimates Used for Correctional Impact Statements](#), dated January 12, 2026, for information related to the correctional system.

Minority Impact

Senate File 2205 creates a new offense regarding the failure to provide proof of licensure for a massage therapy establishment, and, as a result, existing data cannot be used to estimate the minority impact of the Bill. Refer to the LSA memo addressed to the General Assembly, [Minority Impact Statements](#), dated January 12, 2026, for information related to minorities in the criminal justice system.

Fiscal Impact

Senate File 2205 is estimated to require 2.6 additional FTE positions and increase costs to the DIAL by approximately \$253,000 in FY 2027 and require 2.1 additional FTE positions and increase costs by \$171,000 in subsequent fiscal years. These costs are displayed in **Figure 2**. The Bill is also estimated to increase revenues to the DIAL and the LRF by approximately \$280,000 in FY 2027 and varying amounts in subsequent fiscal years. **Figure 3** below shows estimated revenues to the DIAL and the LRF by fiscal year.

Figure 2 — Estimated Costs to the Department of Inspections, Appeals, and Licensing

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
ALIGN Database Changes	60,000	0	0	0	0
Clerk Specialist	28,000	6,000	6,000	6,000	6,000
Compliance Officers	165,000	165,000	165,000	165,000	165,000
Total	\$ 253,000	\$ 171,000	\$ 171,000	\$ 171,000	\$ 171,000

Totals may not sum due to rounding.

Figure 3 — Estimated Increased Revenues to the Licensing and Regulation Fund

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Initial Applications	\$ 280,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000
Application Renewals	0	0	0	280,000	14,000
Total	\$ 280,000	\$ 14,000	\$ 14,000	\$ 294,000	\$ 28,000

Senate File 2205 creates a new offense within Iowa Code chapter [152C](#). The fiscal impact cannot be determined because the number of new convictions under the Bill is unknown. The average State cost per serious misdemeanor is between \$350 and \$6,200. This includes operating costs incurred by the Judicial Branch, the Indigent Defense Fund, and the DOC. The costs would be incurred across multiple fiscal years for prison and parole supervision.

Sources

Department of Inspections, Appeals, and Licensing
Department of Management, Division of Information Technology
Department of Management, Division of Data, Planning, and Improvement
Department of Corrections

/s/ Jennifer Acton

March 12, 2026

Doc ID 1600704 1600704

The Fiscal Note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this Fiscal Note is available from the Fiscal Services Division of the Legislative Services Agency upon request.



Fiscal Note

Fiscal Services Division



[SF 2302](#) – Career Development Office Meetings, Colleges and Universities (LSB5116SV)
Staff Contact: Michael Peters (515.281.6934) michael.peters@legis.iowa.gov
Fiscal Note Version – New

Description

[Senate File 2302](#) requires an institution governed by the State Board of Regents (BOR), and the board of directors of each private institution that participates in the [Iowa Tuition Grant](#) (ITG) Program, to schedule a meeting for each newly enrolled undergraduate student with the career development office. The meeting must occur during the student’s first year of enrollment, during new student orientation, or during the period between acceptance and orientation. The meeting may be conducted in person or by electronic means. The Bill lists the required topics and materials that are to be covered in these academic advisory meetings.

If a student does not attend the scheduled meeting, the institution must attempt to contact and reschedule the student using both electronic mail and telephone, with up to five contact attempts by each method. An institution is not required to schedule a meeting for a student who has already completed a comparable advising meeting at another institution.

The Bill applies to students enrolling in an institution of higher education for the first time on or after July 1, 2026.

Background

The ITG program provides need-based financial assistance to Iowa residents attending eligible private, not-for-profit colleges and universities in Iowa and is administered by the Iowa College Student Aid Commission pursuant to Iowa Code section [256.189](#).

During the 2024-2025 academic year (FY 2025), 8,152 students received awards, totaling approximately \$56.5 million in grant funding, with a maximum award of \$8,500 and an average award of \$6,929. Participating institutions are required to provide a dollar-for-dollar institutional match, and institutions provided approximately \$128.7 million in matching funds to recipients. For FY 2026, the General Fund appropriation for the ITG is approximately \$53.8 million.

Assumptions

- The BOR estimates that the following number of applicable students (first-year and transfer) will meet this Bill’s requirement each year.
 - 7,000 students at the State University of Iowa (SUI).
 - 7,511 students at Iowa State University (ISU).
 - 1,500 students at the University of Northern Iowa (UNI).
- An academic career advisor full-time equivalent (FTE) position at a Regents institution is assumed to complete approximately 42 meetings per five-day workweek, which reflects a standard advising load during peak enrollment periods.
- These meetings are estimated to take place over a 30-week duration.
- Across all three institutions, the estimated salary and benefits of an academic career advisor is \$70,000.

- The number of estimated FTE positions required to meet this demand is as follows:
 - SUI will be required to hire 5.75 FTE positions.
 - ISU will be required to hire 6.0 FTE positions.
 - UNI will be required to hire 1.25 FTE positions.
- The time required to conduct an advising meeting and the time required to complete follow-up contact attempts are equivalent on average across the student population.
- Assuming that 25.0% of the FY 2025 ITG student recipients fall under the Bill's requirements, the number of required advisors spread across all 28 private, not-for-profit institutions would require an additional 0.9 FTE position. This additional workload will be absorbed among existing resources at the independent colleges and universities.

Fiscal Impact

Senate File 2302 is expected to have an annual recurring cost beginning in FY 2027 to the three Regents institutions totaling \$910,000 per year:

- SUI - \$403,000 and 5.75 FTE positions
- ISU - \$420,000 and 6.0 FTE positions
- UNI - \$88,000 and 1.25 FTE positions

The fiscal impact to the independent colleges and universities is expected to be minimal.

Sources

Board of Regents

Legislative Services Agency calculations

/s/ Jennifer Acton

March 12, 2026

Doc ID 16007031600703

The Fiscal Note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this Fiscal Note is available from the Fiscal Services Division of the Legislative Services Agency upon request.



Fiscal Note

Fiscal Services Division



[SF 2434](#) – Local Government Ordinances and Public Notices (LSB5337SV.1)
Staff Contact: Austin Brinks (515.725.2200) austin.brinks@legis.iowa.gov
Fiscal Note Version – As amended and passed by the Senate

Description

[Senate File 2434](#) prohibits a department, office, or other subunit of a county or city from making internal policies or rules without the board of supervisors or city council approving the action through an ordinance. This Bill also requires any ordinance adopted by a board of supervisors or city council to have a cost analysis completed that shows the cost to taxpayers and businesses as well as other economic impacts of the ordinance. The results of the cost analysis must then be made accessible to the public on the official Internet site of the county or city. The Bill takes effect upon enactment.

The Bill excludes public safety agencies defined in Iowa Code section [34.1](#) or county offices under the direction of county officers referenced in Iowa Code section [39.17](#) from the cost analyses requirements.

Background

Iowa Code section [331.301](#) provides counties with powers and limitations on ordinances, while Iowa Code section [364.3](#) provides cities with powers and limitations on ordinances.

Assumption

There will be an increase in costs associated with the cost-benefit analysis required for each county and city ordinance, but the increase is unknown.

Fiscal Impact

Cities and counties would see an increase in administrative costs due to the cost analyses required by the Bill; however, due to the variability in scope and number of analyses, the increase cannot be determined.

Source

Iowa League of Cities

/s/ Jennifer Acton
March 12, 2026

Doc ID 1602483

The Fiscal Note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this Fiscal Note is available from the Fiscal Services Division of the Legislative Services Agency upon request.



Fiscal Note

Fiscal Services Division



[SF 2455](#) – Non-Network Medical Billing (LSB6871SV)

Staff Contact: Xavier Leonard (515.725.0509) xavier.leonard@legis.iowa.gov

Fiscal Note Version – New

Description

[Senate File 2455](#) relates to insurance coverage for emergency services, reimbursement for out-of-network providers, and complicating factors, and does the following:

- Requires policies, contracts, and plans that provide for third-party payment or prepayment of medical expenses to provide coverage for health care services provided to a covered person by an out-of-network provider in any of the following circumstances:
 - The health care services are emergency services.
 - The health care services were provided at a participating facility, and the covered person did not have the ability or opportunity to receive the services from a participating provider.
- Includes exceptions for the uniformity of treatment requirements in Iowa Code section [514C.6](#).
- Requires an out-of-network provider to submit claims to the covered person's health carrier within 60 days of providing the service.
- Requires, within 60 days of receiving a claim, the covered person's health carrier to reimburse the out-of-network provider with the greater amount of the following:
 - The median amount that would have been paid to a participating provider who practices in the same specialty as the out-of-network provider for providing the same health care services, excluding any cost sharing.
 - 150.0% of the most recently published federal Centers for Medicare and Medicaid Services (CMS) fee schedule for the health care services provided by the out-of-network provider, excluding any cost sharing.
- Authorizes out-of-network providers who provide health care services that involve complicating factors, as defined in the Bill, to submit a claim for reimbursement in addition to the amounts permitted above. Includes additional documentation requirements.
- Requires health carriers, within 30 days of receiving a claim for additional reimbursement from an out-of-network provider, to pay an additional 25.0% of the amount paid on the initial claim or to issue a denial and explain the basis for the denial.
- Authorizes an out-of-network provider whose claim for additional reimbursement has been denied by a health carrier to file with the Iowa Insurance Commissioner a request for binding arbitration.
- Provides additional requirements for arbitration related to notification, the selection of arbitrator, documentation, factors for consideration, timeline, and the even split of arbitration costs between the carrier and the provider.
- Authorizes the Commissioner to adopt administrative rules to administer the Bill.

The Bill is applicable to specified classes of third-party payment provider contracts, policies, and plans delivered, issued for delivery, continued, or renewed beginning January 1, 2027.

Background

Senate File 2455 is estimated to affect approximately 25.6% of the population of Iowa (829,000 people). This includes individual coverage, fully insured small and large employer groups, self-insured public employees, and the State of Iowa plan.

Of the individuals not covered by the mandate, approximately 42.9% are covered by government-sponsored health insurance; 26.7% are covered by employer coverage, which is governed by the federal [Employee Retirement Income Security Act of 1974 \(ERISA\)](#); and the remaining 4.8% are uninsured. Additional details are presented in **Figure 1**.

Figure 1 — Population Covered by Insurance Plans Regulated by Iowa Law

Type of Coverage	Iowa Population	Percent of Population
Total Population 2024	3,241,488	100.0%
Included in Mandate		
Individual Coverage	143,597	4.4%
Fully Insured Small Employer Group	129,342	4.0%
Fully Insured Large Employer Group	286,029	8.8%
Self-Insured Public Employees*	215,000	6.6%
State of Iowa Plan	55,000	1.7%
Total	828,968	25.6%
Not Included in Mandate		
Employer (self-insured + other types not listed)	864,752	26.7%
Uninsured	156,600	4.8%
Other Public (Military, Tricare, Veterans Affairs)	24,100	0.7%
Medicare	685,671	21.2%
Medicaid + Children’s Health Insurance Plan	681,397	21.0%
Total	2,412,520	74.4%

Totals may not sum due to rounding

Sources: Iowa Insurance Division and Wellmark

**Represents total population 2020*

Membership by health insurance plan in CY 2025 is shown in **Figure 2**. The State of Iowa membership was provided by Wellmark, and the Board of Regents (BOR) universities’ membership was provided by the BOR.

Figure 2 — CY 2025 Membership by Plan

Insurance Plan	Membership
State University of Iowa	53,597
Iowa State University	23,825
University of Northern Iowa	3,756
University Total	81,178
State of Iowa	58,403
Total	139,581

Assumptions

- According to Wellmark, the projected range of impact to the State of Iowa plan is approximately \$0.30 to \$0.60 per member, per month (PMPM).
- According to the BOR, the midpoint of the projected range of impact to the BOR universities’ plans is \$0.45 PMPM.
- The number of members in each plan will remain at the CY 2025 plan level.
- A midpoint estimate of \$0.45 PMPM is appropriate for each plan.

Fiscal Impact

Senate File 2455 is estimated to increase costs to the State of Iowa and the BOR universities’ health plans by \$0.45 PMPM beginning January 1, 2027.

The costs are expected to begin in FY 2028, with an estimated cost of \$158,000 to the State of Iowa plan. The total cost to the BOR universities’ plans in FY 2028 is estimated to be \$219,000, which includes \$145,000 to the University of Iowa (SUI) plan, \$64,000 to the Iowa State University (ISU) plan, and \$10,000 to the University of Northern Iowa (UNI) plan.

The annual impact of SF 2455, beginning in FY 2029, is estimated to be an increase in costs of \$315,000 to the State of Iowa plan. The total annual cost to the BOR universities’ plans beginning in FY 2029 is estimated to be \$438,000, which includes \$289,000 to the SUI plan, \$129,000 to the ISU plan, and \$20,000 to the UNI plan.

Sources

Board of Regents
Department of Administrative Services
Iowa Insurance Division
Wellmark

/s/ Jennifer Acton
March 12, 2026

Doc ID 1602509

The Fiscal Note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this Fiscal Note is available from the Fiscal Services Division of the Legislative Services Agency upon request.



[HF 2518](#) – Public Assistance Rate Reviews, Annual Reporting to General Assembly (LSB5344HV.1)

Staff Contact: Louie Hoehle (515.281.6561) louie.hoehle@legis.iowa.gov

Fiscal Note Version – As amended and passed by the House

Description

[House File 2518](#) creates provider rate reporting requirements for shelter care, Qualified Residential Treatment Programs (QRTPs), and the Medical Assistance Program (Medicaid), and does the following:

- Requires the Department of Health and Human Services (HHS) to biennially review shelter care and QRTP provider rates upon implementation of a uniform cost report. Requires the HHS, on or before October 1 of the immediately succeeding calendar year in which the review is conducted, to submit a report to the Governor and the General Assembly detailing the results of the review and recommendations for rate adjustments.
- Requires the HHS to annually review provider reimbursement rates for Medicaid services that are reimbursed by a statewide fee schedule and that are not periodically updated or rebased pursuant to federal or State law or rule. Requires the HHS to compare provider reimbursement rates, other than dental services, to the federal Medicare program. Requires the HHS to compare dental provider reimbursement rates to the rates set by Medicaid programs in states contiguous to Iowa. Requires the HHS to submit an annual report that summarizes the review to the General Assembly by January 15.
- Requires Home and Community-Based Services (HCBS) waiver providers to annually submit actual cost of service and supply data to the HHS by July 1.
- Requires the HHS to annually develop a proposed cost-based reimbursement system and related changes to HHS policies and procedures for all services rendered under a Medicaid HCBS waiver during the period of review specified by the HHS. Requires the HHS to develop a uniform and streamlined cost reporting mechanism for HCBS waiver services.
- Requires the HHS to establish a new base period to be used in calculating proposed rate models and related changes to policy and procedures for HCBS services every four years. Requires the HHS to submit a report to the General Assembly by October 1 of the year in which the new base period is established, which includes proposed rate models, the projected fiscal impact including documentation supporting the actuarial soundness of the proposed rate models, and the proposed changes to policy and procedure.

Background

The HHS oversees [Child Welfare Emergency Services/shelter care](#) in Iowa. These services are short-term and temporary child welfare interventions. The HHS contracts with juvenile shelter care providers to offer services across the State. The providers receive reimbursement for expenses from the HHS.

The HHS oversees [Foster Group Care](#) services, including QRTPs, in Iowa. QRTPs are intended to help children with high needs, indicated by an adjudicated Child in Need of Assistance (CINA) or delinquency, thrive and develop the skills necessary to return home. The HHS contracts with providers to offer QRTP services across the State. The providers receive reimbursement for expenses from the HHS.

[Medicaid](#) is a joint federally and state-funded entitlement program that provides medical assistance to certain low-income individuals who are aged, blind, disabled, or pregnant and to children or members of families with dependent children. In Iowa, Medicaid is managed by the HHS. The [Iowa Medicaid Provider Fee Schedules](#) are lists of the payment amounts, by provider type, associated with the health care procedures and services covered by Iowa Medicaid. Providers are contractually obligated to submit their usual and customary charges but accept the Iowa Medicaid fee schedule reimbursement as payment in full. Provider charges are routinely reviewed by policy staff to determine the cost of service. The fee schedule can be increased or decreased based upon comparable charges throughout the community.

[Medicaid HCBS Waivers](#) provide medical, social, and supportive services for Iowans with functional, cognitive, and other physical or mental health needs. These services are meant to help people live and receive services in a home and community-based setting instead of an institution. Iowa currently has seven different HCBS Waivers, including the Health and Disability Waiver, the AIDS/HIV Waiver, the Elderly Waiver, the Intellectual Disabilities Waiver, the Brain Injury Waiver, the Physical Disability Waiver, and the Children’s Mental Health Waiver. HCBS provider reimbursement rates can be found on the [HHS Medicaid Fee Schedules webpage](#).

Assumptions

- The shelter care, QRTP, and Medicaid rate reviews will be administered with existing resources.
- The HCBS rate review will require an amendment to the HHS’s provider cost and audit contract. The contract amendment will cost approximately \$1.3 million for each review cycle.
- The HHS will conduct the HCBS rate review every four years.
- The costs associated with the Bill will be paid by State and federal funds in equal shares.

Fiscal Impact

The total cost of HF 2518 is estimated to be \$1.3 million for FY 2027, of which the State cost is \$650,000 and the federal cost is \$650,000.

Source

Department of Health and Human Services

/s/ Jennifer Acton

March 12, 2026

Doc ID 1601862

The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.



Fiscal Note

Fiscal Services Division



[HF 2584](#) – Drug-Free Homeless Service Zones (LSB6885HV.1)
Staff Contact: Justus Thompson (515.725.2249) justus.thompson@legis.iowa.gov
Fiscal Note Version – As amended and passed by the House

Description

[House File 2584](#) establishes drug-free homeless service zones. The Bill prohibits a person from intentionally or knowingly doing any of the following:

- Unlawfully selling or transferring or attempting to sell or transfer a controlled substance while present within a drug-free homeless service zone.
- Operating or having authority to enforce the policies and requirements of a facility-based drug-free service zone that primarily serves homeless individuals and that receives State, local, or federal funding, and allowing an individual accessing services to possess or use a controlled substance on the premises of the facility.

Under the Bill, a person who sells or transfers a controlled substance, or attempts to sell or transfer a controlled substance within a drug-free homeless service zone is punishable as the same class of criminal violation for which the offense would be punishable under existing law had the violation not occurred within a drug-free homeless service zone, except that the minimum and maximum sentence for the offense will be increased by one year. A person convicted of this offense is not eligible for a deferred judgment, a deferred or suspended sentence, probation, or work release.

Under the Bill, a person who operates or has authority to enforce the policies and requirements of a facility-based drug-free service zone who allows an individual accessing services to possess or use a controlled substance on the premises of the facility is guilty of an aggravated misdemeanor unless the operator terminates the employment of any employee or volunteer who commits a violation. An operator of a facility-based drug-free service zone who violates the Bill is ineligible to apply for homelessness assistance grants from the State for a period of three years from the date of conviction.

In addition to any other penalty, a person convicted of an offense under the Bill will be punished by a fine of not less than \$2,000 or three times the value, as determined by the court, of the drugs involved in or giving rise to the offense, whichever is greater. The fine may not be suspended, in part or whole, for any reason.

Background

Iowa Code chapter [124](#) prohibits the delivery of controlled substances and imposes penalties that range from a serious misdemeanor to a Class B felony. Penalties under current law can be multiplied or enhanced depending on the violation.

A serious misdemeanor is punishable by confinement for up to one year or a fine of at least \$430 but not more than \$2,560. An aggravated misdemeanor is punishable by confinement for up to two years and a fine of at least \$855 but not more than \$8,540. A Class D felony is punishable by confinement for up to five years and a fine of at least \$1,025 but not more than \$10,245. A Class C felony is punishable by confinement for up to 10 years and a fine of at least

\$1,370 but not more than \$13,660. A Class B felony is punishable by confinement for up to 25 years and a fine of at least \$5,000 but not more than \$100,000.

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay (LOS); revocation rates; plea bargaining; and other criminal justice system policies and practices.
- County jail data is unavailable. For purposes of this analysis, the marginal cost for county jails is assumed to be \$50 per day.
- Conviction data reflects the total number of convictions in adult court, which may include multiple convictions per individual. Not all convictions lead to incarceration, and there may be a delay between conviction and prison admission, which can contribute to differences in totals.
- A six-month delay is assumed from the effective date of the Bill to the date the first offender will enter the correctional system.
- Offender-based convictions are a count of individuals convicted of the same offense. Each offender is counted only once per Iowa Code section, regardless of the number of individual convictions.
- Admissions are a count of individuals newly admitted to the Department of Corrections (DOC) for supervision during a selected time period, based on the most serious offense committed.

Correctional Impact

The correctional impact of House File 2584 enhances penalties related to controlled substances within drug-free homeless service zones and creates new penalties under the Bill, and, as a result, the correctional impact cannot be determined because the number of new convictions under the Bill cannot be estimated. **Figure 1** shows estimates for sentencing to State prison, parole, probation, or Community-Based Corrections (CBC) residential facilities; LOS in months under those supervisions; and supervision marginal costs per day for a serious misdemeanor, aggravated misdemeanor, Class D felony, Class C felony, and Class B felony.

Figure 1 — Sentencing Estimates and Length of Stay (LOS) in Months

Conviction Offense Class	Percent Ordered to State Prison	FY 2025 Avg LOS in Prison (All Releases)	Marginal Cost Per Day Prison	Percent Ordered to Probation	FY 2025 Field Avg LOS on Probation	Avg Cost Per Day Probation	Marginal Cost Per Day CBC	Marginal Cost Per Day Jail	FY 2025 Field Avg LOS on Parole	Marginal Cost Per Day Parole
Serious Misdemeanor	2.3%	7.3	\$23.07	44.8%	21.0	\$8.00	\$16.35	\$50.00	N/A	\$8.00
Aggravated Misdemeanor Non-Persons	31.1%	9.3	\$23.07	37.1%	28.4	\$8.00	\$16.35	\$50.00	11.2	\$8.00
D Felony Non-Persons	84.2%	12.5	\$23.07	69.4%	41.4	\$8.00	\$16.35	\$50.00	15.5	\$8.00
C Felony Non-Persons	84.0%	16.8	\$23.07	66.4%	51.4	\$8.00	\$16.35	\$50.00	24.3	\$8.00
B Felony Non-Persons	95.4%	24.1	\$23.07	22.1%	48.6	\$8.00	\$16.35	\$50.00	28.9	\$8.00

Refer to the Legislative Services Agency (LSA) memo addressed to the General Assembly, [Cost Estimates Used for Correctional Impact Statements](#), dated January 12, 2026, for information related to the correctional system.

Minority Impact

House File 2584 enhances penalties related to controlled substances within drug-free homeless service zones and creates new penalties under the Bill, and, as a result, existing data cannot be used to estimate the minority impact of the Bill. Refer to the LSA memo addressed to the General Assembly, [Minority Impact Statements](#), dated January 12, 2026, for information related to minorities in the criminal justice system.

Fiscal Impact

The fiscal impact of the Bill cannot be determined because the number of new convictions under the Bill cannot be estimated. **Figure 2** shows the average State cost per relevant offense. The estimated impact to the General Fund includes operating costs incurred by the Judicial Branch, the Indigent Defense Fund, and the DOC. The costs would be incurred across multiple fiscal years for prison and parole supervision.

Figure 2 — Average State Cost Per Offense

Offense Class	Average Cost
Serious Misdemeanor	\$350 to \$6,200
Aggravated Misdemeanor	\$8,300 to \$12,200
Class D Felony	\$13,000 to \$18,100
Class C Felony	\$15,000 to \$25,200
Class B Felony	\$18,400 to \$39,600

Sources

Department of Corrections

Division of Data, Planning, and Improvement (DPI), Department of Management (DOM)

/s/ Jennifer Acton

March 12, 2026

Doc ID 1602309

The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.



[HF 2670](#) – Duties of State Board and Director of Education and Educational Standards (LSB5669HV.1)

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Fiscal Note Version – As amended and passed by the House

Description

[House File 2670](#) modifies summative testing and the educational program provided to students enrolled in kindergarten through grade 12.

The Bill adds or requires the following:

- Adds social studies to Iowa’s core academic indicators for students in grades 8 and 11.
- Requires the addition of a summative social studies assessment to the Iowa Statewide Assessment of Student Progress (ISASP), administered to students in grades 8 and 11, to align with Iowa standards in both rigor and content.
- Moves the administration of the summative science assessment from grade 10 to grade 11.
- Requires instruction related to physical education and nutrition in the health curriculum for students in grades one through eight.
- Allows for the two additional units of mathematics for students in grades 9 through 12 to include instruction related to agriculture.
- Requires the one unit of health to include instruction related to physical fitness, food and nutrition, and personal health for grades 9 through 12.
- Requires guidance counselors to work collaboratively with parents or guardians.
- Requires the State Board of Education (BOE) to take certain action in instances of noncompliance with relevant State and federal requirements.

The Bill removes requirements related to adopting administrative rules related to protocols for identifying adverse childhood experiences, distributing standards for equity coordinators to school districts, a multicultural and gender-fair approach, emotional and social health instruction, financial literacy instruction, consideration of standards and best practices from certain national organizations, and services provided by guidance counselors. The Bill requires school districts to pay costs required by the Bill from State Foundation School Aid per Iowa Code section [25B.2](#) (State mandates).

Provisions related to the administration of the social studies summative assessment apply to school years beginning on or after July 1, 2027.

Background

The Iowa core academic indicators are a set of common expectations for students in public school districts that are analyzed in the Iowa School Performance Profiles. The profiles provide a comprehensive view of how schools are performing and serving students. The indicators include proficiency in English language arts, mathematics, and science; student academic growth; chronic absenteeism; attendance growth; and postsecondary readiness.

The federal [Every Student Succeeds Act \(ESSA\)](#) requires that states annually assess all students on achievement of grade-level, State-adopted standards in mathematics, reading, and science. The ISASP is a summative accountability assessment for all Iowa students and meets the ESSA requirements. Assessments for English language arts and mathematics are

administered in grades 3 through 11. Assessments for science are administered in grades 5, 8, and 10. There is currently no summative assessment for social studies.

Iowa Code section [256.11](#) (Educational Standards) outlines the requirements for educational programs for students in public and accredited nonpublic schools.

Assumptions

- Iowa Testing Programs (ITP) will create, review, and distribute the ISASP summative assessments for social studies.
- Developing the social studies assessment will require test design and finalization of specifications, item development and review, final form assembly, first administration of the assessment, and completion of a standard-setting process to be incorporated into the existing ISASP reporting mechanism.
- The Board of Regents estimated an initial one-time cost of \$181,000 to develop a social studies assessment.
- The assessment will cost school districts an additional \$5.25 per student to administer, score, and report the results of the assessment.
- Student class sizes required to take the new social studies assessment are estimated to be 40,000 annually in both grades 8 and 11, depending on the class size.

Fiscal Impact

The total fiscal impact for FY 2027 of HF 2670 to develop the social studies assessment and test the first student cohort is approximately \$601,000. This includes a one-time cost of \$181,000 to develop the social studies ISASP assessment and an annual ongoing cost for the test of approximately \$420,000, depending on the class size.

Sources

Iowa Testing Programs
Board of Regents
Department of Education

/s/ Jennifer Acton

March 12, 2026

Doc ID 1602157

The Fiscal Note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this Fiscal Note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
