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## Appropriations

### Appropriations Committee Allocates Sports Wagering Tax Proceeds

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The House Appropriations Committee began work this week on a bill that would addressing a growing balance in one state fund.

House Study Bill 330 makes appropriations from the Sports Wagering Receipts Fund. When the General Assembly passed legislation allowing legalized sports betting in Iowa, the fiscal note on the bill predicted the state would collect between \$2 and \$3 million a year from the tax on sports wagering. That was a little low, as the 6.75% tax on the net receipts a sports book collects generated \$14.2 million in Fiscal Year 2024.

The Fund has grown significantly since the fall of 2019 when the first legal bets were placed. As on Monday, the non-partisan Legislative Services Agency reported that the Sports Wagering Receipts Fund currently had a balance of \$40.6 million. The Fund has grown as there is only one program that currently gets funding through it annually. The Sports Wagering Fund provides \$1.75 million a year for gamblers treatment programs in the state.

House Study Bill 330 makes the gamblers treatment appropriation permanent, while also establishing standing appropriations of \$1.5 million from the Fund for the Length of Service Award Program that was passed on Tuesday in the House (House File 1002) and \$750,000 for grants to regional sports authorities. After that, the annual receipts would be split between the Department of Public Safety's public safety equipment fund and a new grant program for equipment for local emergency agencies. The local grants would be for those communities in the 88 counties with the lowest population and those communities in the other 11 counties who have a population below 2500 and have population growth less than 30 percent in the last census. These measures would begin in Fiscal Year 2026.

The bill also makes supplemental appropriations of \$10 million each to three programs: Community Attractions and Tourism program (better known as CAT grants), Destination Iowa program, and the Levee Improvement Fund. The supplementals for CAT and Destination Iowa would be combined with their annual funding of \$10 million each from the Rebuild Iowa Infrastructure Fund. This gives each program \$20 million to invest in Iowa communities during Fiscal Year 2026.

The prospects for success in appropriating this money is higher than previous years, as the Senate is also proposing to use sports wagering receipts to support law enforcement. Their proposal is included a bill making tax rate changes for various types of gambling in Iowa. That bill, Senate File 625, is currently in the House Ways and Means Committee.

(Contact: Brad Trow 1-3471)

### House Approves Measure to Legalize/Facilitate Farm to Table Meat Sales

On Monday, April 21, 2025, the House passed House File 1006 by a 90-aye to 1-nay vote. HF 1006 creates a new type of food processing entity that is licensed and inspected by the Department of Inspection, Appeals and Licensing (DIAL) agents that can store officially processed packaged meat or poultry raised by the licensee and offered for sale at a premise or farm on a wholesale or retail basis. The bill legalizes the on-farm storage of processed inspected packages and allows the sale on wholesale or retail basis for such packages by the producers. The annual license/inspection fee level to be assessed upon the businesses/farms with on-farm storage of processed inspected packages who provide wither wholesale or retail sales for such meat packages by the producers is \$75. The measure further strikes and replicates existing provisions applying to ‘small food processing premises’ that specify annual license/inspection fees of:

- \$150 if gross sales of processed and marketed meat is less than \$200,000;
- \$300 is gross sales for is at least \$200,000 but less than \$2-million; and
- \$500 for operations with gross annual sales exceeding \$2-million.

This legislation has been referred to the Senate Ways & Means Committee for its consideration. This bill would builds on prior legislation that provided for tiered license/inspection fees for small food processors custom inspected poultry slaughter at state inspected lockers that have been enacted in recent sessions.

### Grain Indemnity Fund Assessment to Cease on September 1

On Thursday, April 17, 2025, the Iowa Department of Agriculture and Land Stewardship (IDALS) issued a press release that announced that the Grain Indemnity Fund Board voted to cease the assessment on grain sold to Iowa-licensed grain dealers as well as the participation fees for Iowa licensed grain dealers and warehouse operators as part of the Iowa Grain Depositors and Sellers Indemnity Fund (Grain Indemnity Fund) effective September 1, 2025. The assessment was reinstated on September 1, 2023, after the Fund fell below the statutory threshold of \$3 million due to grain facility failures in 2021 and 2022. Under existing law, the assessment must remain in effect for at least a full year and must also remain active until the Board votes to suspend the collection of fees or the Fund reaches a balance of \$8 million.

That second-year of collections started on September 1, 2024, and will continue through August 31, 2025. The balance of the Grain Indemnity Fund, as of April 16, is \$10,173,347.80. This total exceeds the \$8 million dollar threshold and does not include the final two quarters of collections, which will cover cash sales of grain made in March, April, and May, and June, July, and August. Created by the Iowa Legislature in 1986 during the Farm Crisis to provide financial protection to farmers, the [Grain Indemnity Fund covers farmers](#) with grain on deposit in Iowa-licensed warehouses and grain sold on a cash basis to state-licensed grain dealers. In the case of a failure of a state-licensed grain warehouse or grain dealer, the Fund will pay farmers 90 percent of a loss on grain up to a maximum of \$300,000 per claimant.

The [Iowa Department of Agriculture and Land Stewardship’s Grain Warehouse Bureau](#) regulates and examines the financial solvency of grain dealers and grain warehouse operators to protect Iowa farmers. The Grain Warehouse Bureau is responsible for administering the Iowa Grain Depositors and Sellers Indemnity Fund. Members of the [Iowa Grain Depositors and Sellers Indemnity Fund](#) are appointed by the Governor and are subject to confirmation by the Iowa Senate. More information can be found on the [Iowa Department of Agriculture and Land Stewardship’s website](#).

*(Contact: Lew Olson 1-3096)*

## Commerce

### House Passes Catastrophic Savings Accounts

This week, the Iowa House unanimously passed House File 988, which allows Iowans to open interest-bearing savings accounts to pay for qualified catastrophic expenses. The bill defines catastrophic events as windstorms, cyclones, earthquakes, ice storms, tornadoes, high winds, flood, hail, and major disasters declared by the President or Governor that are not normally covered by property casualty insurance.

This bill allows Iowans to save specifically for catastrophic events to help mitigate the financial impact of unexpected disasters. The bill offers tax deductions for contributions made to the account and exempts interest on these accounts from state income tax.

This bill builds on Senate File 619, a disaster assistance bill, signed by the Governor this week.

*(Contact: Natalie Ginty 5-2063)*

## Economic Growth

### April High Quality Jobs Awards

Last week, the Iowa Economic Development Authority (IEDA) Board approved awards for companies in Belle Plaine and Perry, which will assist in the creation of 51 jobs and result in nearly \$45 million in new capital investment for the state.

#### **Frontier Natural Products Co-op—Belle Plaine**

Founded in 1976, Frontier Natural Products Co-op is a cooperatively owned wholesaler of natural and organic herbs, spices and essential oil products sold under the Frontier Co-op, Simply Organic and Aura Cacia brands. The company plans to expand the Belle Plaine facility with the construction of a 90,000-square-foot facility for additional production and warehouse capacity to support continued growth, including service to larger multinational retail corporations. The project represents a capital investment of just over \$30 million and is expected to create 16 jobs, of which six are incented at a qualifying wage of \$22.18 per hour. The board awarded the company tax benefits through the High Quality Jobs (HQP) program.

#### **A.D.R Axles USA, Inc.—Perry**

A.D.R Axles USA, Inc., Affiliate of A.D.R. S.p.A headquartered in Milan, Italy, manufactures axles, braking systems, and suspensions for agricultural and industrial machines. The company plans to establish its North American headquarters with the construction of a 54,000-square-foot fabrication and assembly facility located on the certified site within the Perry Industrial Park. The project represents a \$14.3 million capital investment and was awarded tax benefits through the HQJ program. It is expected to create 35 jobs, of which 12 will meet or exceed the qualifying laborshed wage of \$31.10 per hour.

*(Contact: Kristi Kiouss 2-5290)*

## Education

### New Legislation Aims to Enhance College Affordability

In a significant move to improve the financial landscape for students in Iowa, House File 440, also known as the “College Affordability Act” is headed to the Governor’s desk. This legislation, which aims to make higher education more accessible and affordable, introduces several key provisions that will impact students enrolled at the state’s regents institutions.

#### Key Provisions of HF 440

**Tuition Increase Notification:** One of the most notable changes is the requirement for the State Board of Regents to provide written notification to student government organizations at least 30 days before any proposed tuition increase. This ensures that students are informed and can voice their opinions before decisions are finalized. Additionally, the final decision on tuition increases must be made by April 30 of the previous fiscal year, allowing students to plan their finances more effectively.

**Three-Year Degree Programs:** The legislation directs each regent institution to begin offering at least one baccalaureate degree program that can be completed in three years. This initiative aims to reduce the time and cost associated with obtaining a degree, making higher education more efficient and affordable for students.

**Work Study Programs:** HF 440 also mandates the implementation of work study programs where students can engage in part-time employment while pursuing their degrees. Notably, employers will be responsible for covering the students’ tuition and mandatory fees during the semesters they are employed. This innovative approach not only helps students gain valuable work experience but also alleviates some of the financial burdens associated with college.

**Tuition Stability Study:** The State Board of Regents is tasked with conducting a study on establishing a policy that would freeze tuition rates for resident undergraduate students during their first academic year, ensuring that their tuition remains stable for three consecutive years. The study will assess the potential impact on enrollment, the feasibility of implementation, and the outcomes of similar policies in other states. A report on the findings is expected by November 30, 2025.

The passage of HF 440 is a promising step toward addressing the rising costs of higher education in Iowa. By enhancing transparency in tuition increases, offering accelerated degree options, and creating work study opportunities, the legislation aims to ease the financial strain on students and their families.

*(Contact: Kristin Rozeboom 1-3015)*

## Health and Human Services

### Health Care Workforce Bill Sent to the Governor

This week the House sent House File 516 to the Governor with bipartisan support. This bill concentrates on the medical training at our state public hospital and medical school. This bill aims to focus our taxpayer funded institution on intentional efforts to grow the health care workforce of all of Iowa. The data shows that if you do your medical school training and your residency training in one state, you are far more likely to stay and practice in this state. Unfortunately, the University of Iowa’s retention of physician workforce in Iowa is not providing results for the entire state, and this bill aims to make improvements while continuing the exceptional medical training received at UIHC.

- **Prioritizing Iowans, Rural Rotation** – codifies requirements that were placed into session law in 2019 in House File 532. Additionally, it adds fellowships to the requirement that UIHC prioritize Iowans.
  - Requires medical residencies at the University of Iowa Hospitals and Clinic to give priority to applicants that have an Iowa connection (resident of Iowa, went to undergrad in Iowa, or medical school in Iowa).
  - Requires primary care residencies (family medicine, OB, psych, and internal medicine) at UIHC to provide the opportunity to participate in a rural rotation to expose those medical residents to rural areas of Iowa.
- **UIHC Medical Residencies** – requires the University of Iowa Hospital and Clinics to offer an interview for the medical residencies of some of the most-needed specialties in Iowa to those with an Iowa connection. Additionally, this bill requires UIHC to offer DMU and UI medical students the option to participate in an audition clinical in the specialty of the residency for which they are applying.
- **In-State Training** – requires the University of Iowa medical school and dental school to have at least 80% of their students be residents of Iowa. This bill also requires an annual report by UI regarding the same schools and UIHC medical residencies demographic information.

(Contact: Natalie Ginty 5-2063)

## Judiciary

### Governor Signs Several House Judiciary Bills

The 2025 legislative session is getting closer to the end. A majority of the committee work is done, and bills are advancing through the House and Senate. The House Judiciary Committee has sent a significant number of bills to the Governor for her approval. Below is a short summary of some bills signed by Governor Reynolds:

#### **House File 314- Adoption Waiver**

House File 314 allows a juvenile court to waive the requirement for a preplacement investigation and report in certain adoption cases. This waiver can occur if the adoption petitioner has been the legal guardian of the child for at least 36 consecutive months and has fulfilled their responsibilities as a guardian during that time. Currently, waivers are only permitted if the petitioner is a relative of the child within the fourth degree of consanguinity.

#### **House File 363- Disposition of Remains**

This bill is about who can make decisions regarding the final arrangements for a person's remains after they pass away. It states that if someone is not allowed to be a decision-maker according to a person's wishes, they cannot take control of those arrangements. Essentially, it ensures that only the right people can make decisions about how a person is laid to rest.

#### **House File 367 CINA Family Interaction**

House File 367 modifies the rules regarding family interactions during ongoing child in need of assistance (CINA) proceedings. Currently, family interactions must continue unless a court, or the Department of Health and Human Services determines they are detrimental to the child. The bill changes this requirement, stating that interactions should continue unless a court finds substantial evidence that they pose an imminent risk to the child's life or health.

#### **House File 647- Place of Trial**

House File 647 outlines the venue for trials in criminal cases when the county of the offense is unclear. It specifies that trials should be held in the county of the victim's residence if they can be identified. If there is no victim or the victim's residence cannot be determined, the trial will take place in the county where the accused resides. For non-natural person victims, the trial can occur in any county where the victim has a physical presence. In cases with multiple victims, the trial may be held in any county where a victim resides, prioritizing natural persons.

### **House File 924- Possession of Firearms**

House File 924 lowers the minimum age for acquiring and carrying firearms from 21 to 18 years old. The bill includes changes to related laws.

*(Contact: Amanda Wille 1-5230)*

## **Local Government**

### **House Advances Bill to Provide More Freedom to County Recorders**

This week the Iowa House of Representatives passed [House File 1031](#), a piece of legislation that aims to provide more flexibility and regular review of current providers and processes to the statewide land records database. Currently, all counties are **required** to participate in a 28E agreement to create and maintain the Electronic Services System to administer the county land records information system which known as the Iowa Land Records and has been in place since enacted in 2005.

Since 2005 the Electronic Services System has administered Iowa Land Records has provided public access to land record information and has been the required system to submit electronic recordings in the state of Iowa before that information is then submitted to the appropriate county recorder's office. This system has created a state mandated monopoly for electronic recording, the only one in the country, and prevents competition or innovation. Since 2005 there has been continued advancement in technology that could serve county recorders and the Iowa Land Records that includes cloud-based services, artificial intelligence, and mobile compatibility.

HF 1031 allows counties to withdraw from the 28E agreement to shop and compare vendors for their recording services. County Recorders will still be required to submit records to the Iowa Land Records and vice versa, but the option to explore vendors gives recorders across Iowa the freedom to select a county recording system that better fits their needs and the potential to save the taxpayers of that county money and potentially offer a service at a lower cost. All recorded documents will still be submitted and maintained on the Iowa Land Records website for public access. HF 1031 would also increase user fees for filing documents and ensure the same level of funding from counties who would withdraw from the 28E agreement. The increases in fees would provide revenue for most counties to move beyond being dependent on county general fund dollars for funding. If enacted, it is estimated that an additional \$8 million in revenue will be added to county general funds across the state which benefits property taxpayers across Iowa.

*(Contact: Jason Covey 1-3626)*

## **Natural Resources**

### **Senate Bounces Back Enclosed Dock Legislation Back to the House**

On Wednesday, April 23, 2025, the Senate amended and passed House File 710 by a 44-4 vote. HF 710 passed the Iowa House on Thursday, March 13, 2025, by a unanimous 96-aye vote. The bill as passed by the House to created a new Code section that allowed hard sided/roofed enclosed docks owned by adjacent landowners on public waters if such docks meet certain safety criteria, are not used for sleeping or habitation purposes and have \$1-million dock-liability insurance for damages that could be caused by the enclosed structure on the private dock. Such docks needed to be made of rust-resistant materials and meet specific size limitations (no more than 30 feet wide, and no more than 20 feet high above the normal water level). The legislation further allow a Chapter 504 association that manages a community that is located on a subdivision that is adjacent to or abuts a public lake to establish construction policies concerning enclosed docks that are different from DNR regulation or section 462A.27B created by the bill.

The Senate amended HF 710 by striking references to ‘enclosed structure’ and replaced that phrase with ‘roofed.’ It also slightly tweaked the HF 710 provisions concerning a Chapter 504 association that manages a community that is located on a subdivision that is adjacent to or abuts a public lake to limit the association’s special restrictions and regulations to association members and members’ guests.

## **DNR--Celebrate Iowa’s Trees this Arbor Day**

On Tuesday, April 22, 2025, the Iowa Department of Natural Resources (DNR) issued a press release touting Friday, April 25<sup>th</sup> Arbor Day.

The Iowa DNR State Forest Nursery offers spring delivery in April and May for hardwood, conifer and shrub seedlings grown from Iowa seed sources.

Seedlings can be ordered through May 23, 2025. Visit DNR’s [State Forest Nursery online store](#) to view seedling varieties and to place your spring order. DNR’s expert nursery staff can assist with species selection and answer questions about your tree needs and nursery offerings.

*(Contact: Lew Olson 1-3096)*

## **State Government**

### **House Advances Open Meeting Enforcement Enhancement**

This week the Iowa House of Representatives passed [House File 706](#), a bill that would increase public officials’ training of open meeting and public information and increase enforcement of violations. HF 706 would require newly elected or appointed officials to complete an Iowa Public Information Board (IPIB) provided or approved course of training on their responsibilities of open meeting and public information laws. Too often when cases come before IPIB the defense has been that the official or government body wasn’t aware of their requirements. HF 706 would be proactive in getting that information to elected officials before or early in their tenure.

In addition to the training, the bill increases fines for violations of these laws. The current fines in Iowa Code have not seen an increase since 2005. By increasing the fines the bill would put more teeth into Iowa’s open meetings and public records laws. IPIB exists as an alternative means to secure compliance with open meeting and open records laws and this bill does not change their complaint process which allows the board an initial determination of the merit of a complaint, which includes dismissal for "harmless error", and informal assistance process to work with the parties to reach an informal and quick resolution. That doesn't change with this bill.

Having been passed by both chambers of the legislature HF 706 will head to the Governor’s desk for consideration.

*(Contact: Jason Covey 1-3626)*

## **Transportation**

### **House Addresses One ATV Issue, While List of Remaining Issues Grows**

On Tuesday, the House approved legislation clearing up an issue that had grown since a bill was passed to allow ATV’s and UTV’s to travel on secondary roads. Even with that progress, the list of issues related to these vehicles continues to grow.

House File 1015 addressed an issue that was becoming an issue in some rural counties. While the original legislation allowing ATV's on secondary roads prohibited cities from assessing a fee for driving on their roadways, that bill forgot to include another word – "counties." Several counties, including Mills and Pottawattamie, had begun charging ATV riders a fee for driving their vehicle on county roads. The bill slams the door shut on that loophole. While this issue would be dealt with if House File 1015 becomes law, others related to ATV use on public roads are popping up. The most recent item to vex ATV drivers is the question of being required to display a slow-moving vehicle sign.

The fluorescent upside-down triangle is a common feature on farm implements and horse buggies. ATV riders did not think they were required to display these signs when they are using them. But some law enforcement agencies have begun ticketing ATVs on public roadways for not displaying these signs. Other law enforcement agencies have said there is no law requiring this, leaving ATV riders with a lot of questions.

It is true that in Iowa Code, the provisions explicitly dealing with ATVs or UTVs does not specifically require this type of signage. But in Iowa Code section 321.383 (2) requires vehicles that operate at 35 miles per hour or lower to have this sign if they are on roadways. While this provision specifically addresses implements of husbandry, it can also be interpreted to apply to ATV's and UTV's as state law requires ATV's to travel at or less than 35 mph when travelling on roadways.

The ambiguity on whether the slow-moving vehicle sign is one of a growing number of issues that Iowans have brought to their state representatives concerning ATV's and UTV's. These range from where Iowans pay their fees for having an ATV, to requests for license plates and calls for ATV's riding on public roadways to pay "their fair share" to the Road Use Tax Fund. Legislators are likely to spend time this interim discussing these issues and more.

*(Contact: Brad Trow 1-3471)*

## **Veterans Affairs**

### **House Passes Veteran Service Organization Grant Program**

This week, the Iowa House unanimously passed House File 1000, which appropriates \$250,000 to the veterans service organization grant program to provide matching funds for employing staff to assist veterans with claims.

Iowa veterans first line of assistance to ensure they are receiving the benefits they have earned is their county veteran service officer. Oftentimes, if the claim is more complex or the veteran needs assistance appealing a determination, veteran service organizations provide that assistance free of charge. This bill will ensure expansion of that assistance for Iowa's veterans. The bill is now to be considered by the Senate Appropriations Committee.

*(Contact: Natalie Ginty 5-2063)*

## **Ways & Means**

### **House Committee Supports Tax Credit for Gun Safety Devices**

This week the House Ways and Means Committee passed House File 132. The bill creates an individual income tax credit for the purchase of firearm safety devices. "Firearm safety device" is defined as a device designed to prevent a firearm from being operated without first deactivating the device or a qualified gun safe.



Under House File 132, the credit is equal to the sales price of the firearm safety device, not to exceed \$500. Any credit in excess of the taxpayer's liability is not refundable but may be credited to the tax liability for the following year.

House Republicans support our second amendment rights—but also support safe and responsible storage of those firearms. House File 132 will make taking those proper precautions more affordable and is now ready for full consideration by the House.

*(Contact: Kristi Kiious 2-5290)*