

2025 Session Review

The Iowa Legislature wrapped up its work for the year on May 15 after three consecutive 18+ hour days. During this time they managed to pass all nine budget bills, the federal block grant bill, opioid settlement spending, a bill limiting what carbon pipeline companies can do to take private land, the Governor's rural health initiative, the Governor's unemployment tax reduction, state government employee paid leave, Iowa Health & Wellness Plan work requirements, the Governor's tax credit bill, local government ban on DEI activities (Diversity – Equity – Inclusion), regulation of crypto-currency ATMs, an expanded state adoption tax credit, and 35 other bills. After months-long negotiations and several subcommittees, they did not end up making changes to the state's property tax system (look for that next year).

If it felt like there were a lot more bills than usual, it is because there actually were a lot more bills than usual. The 2025 Iowa Legislative session broke the record in the number of bills filed. In fact, there has never been a House File 1000 in the history of the State of Iowa (since records were kept from 1876). This year we got to House File 1055.

Tensions ran high this year with deep divisions on early childhood education redesign, pharmacy benefit manager reform, and most significantly, banning the use of eminent domain for private carbon pipeline companies. Of the 171 bills sent to the Governor, all but two were signed and a third was line-item vetoed.

- **House File 383 (veto):** Legalizing crystalline polymorph psilocybin upon FDA approval/rescheduling. The Governor's [veto message](#) indicated

2,300

Total number of bills introduced in 2025 session (excluding resolutions)



One out of every 13 bills made it to the Governor's desk.

7%

Bills introduced that were signed into law. For the last 30 years, this has averaged 10-13%.

this was putting the cart before the horse and taking away state decision-making on the matter.

- **House File 639 (veto):** Restricting use of eminent domain for carbon pipeline projects. The Governor's [veto message](#) states that she agrees with the intent of the bill but it goes much further and could destabilize Iowa's energy industry.
- **Senate File 647 (line-item veto):** The Governor took out one line-item appropriation to charge UNI students from border states in-state tuition. The rest of the budgets were signed in total.

The Iowa Psychological Association maintains an extensive bill tracker, which keeps tabs on bills of importance to the psychology profession. If you have not checked it out, it is now updated with effective dates, vote totals, plain language explanations, IPA's registration on it (for, against, or undecided/watching) and other details on bills. You can check it out [here](#).

Quick Note: Bills that passed in the 2025 legislative session are listed in the default "active" list in the bill tracker. Bills that did not make it through the process are in the "inactive list" and will be alive again in 2026. In either list, you can organize this by topic or bill number. You can also download the lists in spreadsheet format.

NEW LAWS: The Good News

- Psychologists whose training included concussion management or specialization in neuropsychology will be able to participate **in school concussion protocols**, including return to play assessments. [HF 471](#) was introduced this year by IPA and passed unanimously this year. It became effective July 1, 2025.
- Insurance companies can no longer put age caps or annual limits on coverage for **autism spectrum disorder treatment**, including ABA services, under [HF 330](#).
- People who spit on a health care professional (including psychologists) would face a mandatory 7-day jail stay and current penalties on **assaults on health professionals** is increased to a class D felony. Legislators also added people who are volunteering, interning, or doing other practicum in a health care workplace to the list of protected professionals. ([SF 397](#) & [HF 310](#))
- More funding will be available for **health care professional recruitment programs** after the Governor's Rural Health bill and the Education Budget were signed into law ([HF 972](#), [SF 647](#)). The Governor had requested \$10 million for the new combined health professional recruitment program, but the Legislature provided \$7.9 million. This is still an increase of \$3.6 million increase. The mental health professional loan repayment program will be merged into this, so IPA will monitor the rules process to

make sure are not directed away from mental health professionals to other health care fields, now that there are no dedicated funds for each profession.

- All schools will be required to have **multi-disciplinary “school safety assessment teams”** to flag students in distress for services and non-police interventions. This is intended to identify students who need supports and prevent incidents of school violence (and hopefully avoid tragedy and law enforcement responses). Behavioral health providers and school nurses are on these teams (although no funding was provided to schools to help with this). ([SF 583](#))
- **Insurers are given 48 hours authorize urgent services** and up to 10 days for non-urgent care. They are given an extra five days if there are special circumstances (large volumes of prior authorization requests at the same time). This applies to all services but does not include Medicaid or MCOs. ([HF 303](#))
- There is now a process for accessing **opioid settlement funds**, along with an initial outlay of \$20 million to various projects around the state, including funding for substance use treatment for pregnant and new moms. Future decisions on funding will be made by the Attorney General and the Iowa Department of Health & Human Services, using the recommendation provided by the state’s [behavioral health regional advisory boards](#). ([HF 1038](#))
- Businesses will now have to provide equal **parental leave to adoptive and biological parents**, ending discrimination against adoptive parents in the workplace. ([HF 248](#)). State employees will now be guaranteed **paid parental leave** when adopting or giving birth ([HF 889](#)).
- Iowa now has a strategy to **address rural health access** by implementing a hub and spoke model to help get specialty care to rural areas (starting with a maternal care strategy), expands residency options, eliminates certificate of need for birthing centers, and moves other certificate of need decisions to Iowa HHS. Certificate of need has been a major barrier to building more mental health inpatient capacity in the state. ([HF 972](#), [HF 1049](#))
- Thanks to the advocacy of a [Grinnell family](#), the state has cleared the way for the creation of **pediatric palliative care centers** for children facing chronic, complex, life-threatening illnesses. ([HF 933](#))

NEW LAWS: Mixed News

- IPA was able to remove early budget language prohibiting Medicaid reimbursement for mental health treatment for **gender dysphoria**, but the budget bill ([HF 1049](#)) bans reimbursement for surgery and other medical interventions (hormone replacement therapy). That means people with this diagnosis may have a higher demand for behavioral health interventions when their medical interventions are discontinued (and if they cannot pay for them out of pocket).

NEW LAWS: The Bad News

- Low-income adults who are a part of the Medicaid expansion population (**Iowa Health & Wellness Plan**) would be required to report they worked at least 80 hours/month in order to keep their coverage. This mirrors what Congress passed in their “One Big Beautiful Bill” earlier this month. There are more than 180,000 Iowans who have this plan. If Arkansas’ experience holds true and one in four people lose their health insurance because of this reporting requirement, that means 45,000 Iowans will lose their health insurance (mostly because they were confused about the reporting or forgot to report their work). Likely the patient education part of this will probably fall on providers ([SF 615](#)).
- Local governments would not be able to hire **DEI (Disability, Equity, Inclusion)** staff, have DEI offices, and sponsor DEI events under a new bill signed into law ([HF 856](#)). This is very specific to hiring practices and internal work of government agencies, but some governmental bodies may change their contracts to reflect this.

Missed Opportunities

- **Medicaid provider rates** could have gotten automatic Medicaid increased had the [House Health & Human Services Committee](#) passed [HF 13](#) this year. Passing this means reimbursement rates would get an inflationary increase each year. While inflation will definitely be higher than this rate, it would have made sure rates do not fall so far behind between legislative action. This bill will still be eligible for discussion in 2026.
- **Fentanyl test strips and other drug-testing equipment** would have been removed from the state’s drug paraphernalia law had [HF 699](#) passed, but this important law was again sidelined by the Department of Public Safety’s opposition. This year progress was made – police officer groups were in support of the bill and county sheriffs were split so did not engage on the issue. The bill passed out of the [House Health & Human Services Committee](#), but it was referred back to the committee after it failed to be voted on. [Rep. Brett Barker](#), who is Vice Chair of the committee, was the floor manager and (as a pharmacist) an outspoken supporter.
- The ongoing issue of **Medicaid recoupments** reared its head again this year, with the introduction of [HF 808](#), which requires MCOS to initiate any provider chargebacks within 12 months from the time the provider was reimbursed. The [House Commerce Committee](#) did not even assign a subcommittee, so its chances in 2026 are slim (but it’ll be alive).
- The [Senate Ways & Means Committee](#) advanced a bill ([SF 638](#)) that would have taxed **vape and alternative nicotine products** similar to tobacco products, but it is

still on the Senate Calendar waiting for debate in 2026. New tax revenues could be used by the Behavioral Health system to ramp up prevention and early intervention.

- **Insurers will have 56 days to credential** physicians, physician assistants, and nurse practitioners ([HF 875](#)). Legislators heard from a lot of providers about their wait times (sometimes 5-6 months). Mental health professionals were not included – which is why this was a missed opportunity. Legislators heard that the bill should be expanded to include them but failed to amend it before passage. This could be ripe for a bill next year.

Outlook for 2026

If you think the 2025 legislative session was contentious, just wait for 2026 when a handful of legislators is jockeying for new committee and leadership positions, as well as running for higher office. The Governor's veto of the carbon pipeline/ eminent domain bill prompted a quick response from House leaders, saying they will block all of the Governor's initiatives next year. There are still deep divides in the Senate Republican caucus over the issue, leaving the 12 who refused to vote for a budget bill until a carbon deal was passed more emboldened than ever.

Some of the high-profile issues we know will be discussed in 2026:

- **Eminent domain & carbon pipelines** – round 2.
- **Property tax reform** – they got close but could not close the gap at the end of session. 2026 is an election year; you can bet it will top the Republican's "to-do" list.
- **Budget reconciliation** – depending on the fallout from the President's "One Big Beautiful Bill," legislators may have to come back to backfill Medicaid and make difficult decisions on where to cut corners. More frequent eligibility checks, paperwork requirements for work, and less funding may cause people to lose their coverage.

While these are pretty big issues for a 100-day legislative session, the bigger problem may be the changes coming in leadership and in committees. We know that some legislators will call it quits and announce they will not run again sometime in February/March 2026. This may seem like a gossip column, but in addition to this:

- **[Rep. Matt Windschitl \(R-Harrison\)](#)** is currently the House Majority Leader. He is stepping down as leader to run for Congressman Randy Feenstra's seat (but he'll

finish out his term as a State Representative). Feenstra has announced he will join the crowded race for Governor and has amassed a large group of endorsements.

- **[Rep. Bobby Kaufmann \(R-Cedar\)](#)** is currently the House Ways & Means Committee chair, but he is seen as the front runner to replace Windschitl as Majority Leader. House Republicans will select their new leader on August 4. If Kaufmann is successful, this triggers the need for a new Ways & Means chair (top contenders we've heard are [Rep. David Young \(R-Dallas\)](#) and [Rep. Carter Nordman \(R-Dallas\)](#)). If Rep. Nordman takes that job, that leaves an opening for the House HHS Committee Chair (and Nordman was in his first year in this position).
- **[Sen. Jack Whitver \(R-Polk\)](#)** continues to battle cancer and is unlikely to stay on as Senate Majority Leader for 2026. Lining up for consideration for that job is a host of Senators, but we have heard [Sen. Mike Klimesh \(R-Winneshiek\)](#) may have the inside track. That would trigger the need for a new Senate HHS Committee Chair. Like Rep. Nordman, Sen. Klimesh was in his first year chairing HHS. [Sen. Mike Boussetot \(R-Polk\)](#) is still exploring a run for Governor, but he has also been mentioned as a potential Senate Majority Leader.
- **[Sen. Zach Wahls \(D-Johnson\)](#)** has announced he will be running for US Sen. Joni Ernst's seat. Since he is in an odd-numbered district, he will have to retire from the Iowa Senate to do this. [Rep. Josh Turek \(D-Pottawattamie\)](#) has also said he is considering a run for Sen. Ernst's seat, but he said he'll wait until later this summer to decide.
- **[Sen. Sarah Trone Garriott \(D-Dallas\)](#)** is in the middle of her four-year term, so she will not have to resign from the Senate to run for Congress, as she has announced she will do (challenging Congressman Zach Nunn). She's not alone in this race – [Rep. Jennifer Konfrst \(D-Polk\)](#) stepped down as House Democratic Leader to also run for this Congressional seat, so they'll face each other in the primary.
- There are handfuls of other legislators evaluating higher office runs, including Dubuque Democrat [Rep. Lindsay James](#) eyeing US. Rep. Ashley Hinson's seat, Polk County Republican [Rep. Eddie Andrews](#) running for Governor, and Sioux City Democrat [Rep. JD Scholten](#) looking at Congress again.

Of course, State Treasurer Rob Sand is running for Governor and Lt. Governor Chris Cournoyer running for State Auditor. There is still plenty of time for people to change their minds – they won't have to file their papers until March 2026.

