

[ipamemberlist] State Capitol Report (Week 14)

1 message

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IPA State Capitol Report | Week 14 | April 17, 2026

Session Winding Down, Budgets in Position

With the end of the 2026 Iowa legislative session just days away, lawmakers in both the House and Senate are scrambling to reach agreement on two of the session's biggest budget — time is quickly running out. Legislators will lose their clerks and will no longer be reimbursed for their meals, hotels, and mileage after Tuesday, April 21.

While legislators are making good progress on bills, the House and Senate have different views on how to cut property taxes. That may be the biggest hold up this year. Their budgets, so the hold up there will be the policy language they want to put in those budget bills. Needless to say, even if legislative leaders work out a session-ending compromise, it will take two days to just move all the paperwork into place.

The Senate decided not to show its hand and instead passed all the Governor's budgets out of committee. The Senate has not yet shared its plans, so their budget priorities were not voted on. The House voted all but two of its budgets out of committee this week, and these budgets do reflect their priorities.

Governor's Recommendation	House Spending Target	Senate Spending Target	March Revenue Estimate
\$9.67 billion	\$9.66 billion	\$9.62 billion	\$8.47 billion

The budget situation is very fluid. You can keep up on progress in our real-time budget tracker [here](#). It includes the most current bill numbers, information on where the bills are, and analyses. Some things to note in the budgets:

- \$1.5 million cut to school-based mental health professional development (leaving \$1.9 million for ACEs, Mental Health First Aid, Crisis Prevention Institute training).
- No change in funding for the Health Care Professional Incentive Program (IPA asked for language to be added to require psychologists be eligible for this but it has not been added).
- Eliminates Iowa HHS' Center of Excellence in Behavioral Health (not many people even knew about this - saves \$100,000).
- Eliminates funding for Quitline, youth tobacco prevention organization, and tobacco prevention/cessation printed materials (savings of \$1.2 million; supposedly federal).
- Eliminates survey of children with ACEs (\$40,000).
- Saves \$350,000 in Medicaid by allowing 90-day prescription refills.
- Medicaid provider rates are increased for adult day services (\$300,000); HCBS elderly waiver services (\$5 million); prosthetics reimbursement (\$250,000); and speech therapy (\$250,000).
- Puts annual rate review of Medicaid provider rates into law (right now HHS does them without requirement - House wants to ensure this continues in new administration).
- Continues the HHS decision to reduce Medicaid costs by \$1.2 million by applying telehealth cuts (site of service).
- Saves \$21 million by moving pharmacy management back to HHS (from MCOs).
- Requires reimbursements to community health centers for behavioral health services be increased when other rates are increased (we think this is supported to be continued).
- Directs HHS to continue giving community mental health centers 70% of the federal mental health block grant (this split was due to end on September 30).
- Ends child welfare decategorization funding (saving \$1.7 million annually) - because of a proposed restructuring of the Early Childhood & Family Services System.
- Shifts the cost of paying for sheriff transportation of commitments from the state to the county.
- Requires Iowa HHS submit a report to legislators showing how behavioral health appropriations are used.
- Adds new funding for Food Bank of Iowa to help with SNAP hotline (\$127,500). With all the changes to food assistance (SNAP) eligibility and the foods that can be purchased, it will help families purchase the foods they need.
- \$8.6 million increase for SNAP (food assistance) administration, due to One Big Beautiful Bill (OBBB) shift of funding to states.
- Dedicates \$3 million of opioid settlement funds to "a facility with at least 150 licensed beds that provide medical detoxification stabilization and residential substance use treatment, and provides 24-hour medical detoxification, residential treatment, and medication-assisted treatment."

Bills on the Move

- The Governor has signed the following bills:
 - [HF 2434](#) prohibits an insurer from denying or limiting coverage for a covered service by an in-network provider solely because the referral came from an out-of-network provider.
 - [HF 2337](#) makes it a crime to **falsely claim academic degrees or credentials** for the purpose of employment or personal gain.
 - [HF 2543](#) eliminates barriers to accessing **subacute** mental health services, including setting timeframes to respond to prior authorization requests.
- The Legislature has sent the following bills to the Governor:
 - [HF 2256](#) no longer considers **inability to access treatment services for a child** as "child abuse" if the parents have done everything possible to find services for the child.
 - [HF 2523](#) allows parent to consent to **child's mental health or substance use commitment** (rather than go to court when a child refuses).
 - [SF 2417](#) is an expanded **AI regulation bill** (it started off as regulating mental health chatbots). The bill creates a new legal framework regulating conversational AI in the protection of minors using these services by mandating clear AI disclosures, prohibiting manipulative engagement tactics, and restricting inappropriate or misleading management tools for minors and their guardians, adopt protocols for self-harm and suicide-related interactions, and are forbidden from presenting AI as a licensed professional. The bill is tasked with enforcement, including civil penalties (up to \$500,000) for violations. The bill takes effect on July 1, 2027 in order to give technology companies time to comply.
 - [HF 571](#) is the **medical ethics defense act**, which gives health care providers and institutions the right to not participate in a health care service that violates the provider's moral principles (including employment repercussions) for exercising this right. While this is intended to go after things like reproductive and abortion care, gender-immunizations, it is much broader. The vague language could lead to more law suits, loss of access to care in rural areas, and opening the door to discrimination. The Governor has not yet decided what to do. **Concerned psychologists should email the Governor and ask for a veto!** You can email the Governor [here](#).

Other bills still in process that are poised for debate:

- **SF 473** is on the House debate calendar again for Monday (it's been on and off the debate list over the last two weeks). This bill prohibits Iowa HHS from **discriminating a parent because of their "sincerely held beliefs" on gender identity and sexual orientation**. The department is not allowed to require foster/adoptive parents to support and sexual orientation - or to requires them to raise/rear the foster/adoptive child against on these sincerely held beliefs.
- **SF 2488** is the new bill number for the restructuring of the state's **early childhood and family services system**. The bill was amended with the "compromise" during comr ready for full Senate action. It is not yet known whether the early childhood community has accepted the compromise, but does move home visits to the state so funds can initiative and child abuse prevention program (functions move into state programming), and requires greater oversight and alignment of local initiatives.
- **SF 2412**, which is ready for House debate, would require all schools, cities and counties, and state agencies (including the legislative branch) to **verify US citizenship** of its Department of Inspections, Appeals, Licensure would also be required to verify eligibility for professional licensure using the SAVE (Systemic Alien Verification for Eligibility)
- A similar bill (**SF 2218**) required school districts to **verify US citizenship and legal status** for its employees using E-verify. The House loaded up the bill with a number of c for falsifying social security numbers and requiring private sector employers to report violations upon discovery (or face very heavy penalties), requiring state employment E professional licenses, adding new voter registration oaths stating citizenship and creating additional penalties for violations, and prohibiting bail for those whose citizenship/l to agree with this change, so the bill was sent to Conference Committee this week. That committee will work out a compromise (or not). If they do reach agreement, the cor chambers without amendment in order to pass. (Conference Committee: Reps. Brooke Boden, Tracy Ehler, Steve Holt, Heather Matson, Charlie Thomson; Sens. Matt Blal Rozenboom, Cindy Winckler)
- **HF 2676** is the Governor's "**MAHA**" Bill (Make America Healthy Again). The Senate made some changes and sent it back to the House, but it still allows access to ivermec that can be in the summer EBT program and school meals, requires physicians to be trained in nutrition during medical school and requires continuing education, sets new The amendment includes all this and adds a broader definition of EPI-Pens that can be used in school (instead referring to epinephrine delivery systems), alignment of stuc Test, and adds a **new work group studying the impact of school-issued technology on student cognitive learning**. This work group includes mental health profession The House can now accept the amendment or reject it, and if the two chambers cannot agree, this bill could also end up in conference committee.
- **HF 2557** is the controversial bill that states a parent has the right to raise their child in accordance with their gender at birth and seek treatment to validate this. While it doe professional to provide **conversion therapy**, it does make it legal for a non-licensed person to do so and protects the parents from being charged with child abuse. Like ma broad and written very poorly, so will likely be challenged in court.
- **SF 2428** was amended and passed by the House on April 7. The bill builds on legislation from two years ago that created a process for **disciplining students who cause** the Senate, the bill added "non-violent disruptions" to the list. The [amendment](#) rewrites the entire bill:
 - Requires the Iowa Department of Education to develop and distribute a training program and training materials for Individualized Education Plan (IEP) teams to better requirements in federal law (IDEA).
 - Directs the Iowa Department of Education to set up a pilot program in one rural and one urban school district to create separate schools for educating students whose emotional, and behavioral needs interfere with other student learning. The new language makes this voluntary for the student and requires the program to be fully funded.
 - Creates new language around the discipline of students causing violent and non-violent disruptions.
 - Allows a teacher to request a meeting about a student's IEP with their school administrator at any time - and states that the school administrator cannot deny this request.
 - Requires each school district to set a policy that makes sure a student's IEP is read by all school staff with responsibility for educating the student.

As you can see, there is no shortage of bills still in process as the days of session wind down. This is probably the last report until session adjourns, although we may send out brief the [IPA Bill Tracker](#) for live status of bills.

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Representing AARP Iowa, American Cancer Society Cancer Action Network, Hills & Dales, Family Planning Council of Iowa, Iowa Association of Area Agencies on Aging, Iowa Affiliate of the American College of Certified Nurse-Midwives, Iowa Association of the National Association of Pediatric Nurse Practitioners, Iowa County Conservation System, Iowa Developmental Disabilities Council/Iowans with Disabilities in Action, Iowa Library Association, Iowa Natural Heritage Foundation, Iowa Nurse Association, Iowa Psychological Association, Iowa Public Transit Association, Iowa State Reserve Law Officers Association, Juvenile Detention Coalition of Iowa, League of Women Voters of Iowa, Link Associates, Loess Hills Alliance, Lutheran Services in Iowa, Abuse Iowa, Professional Developers of Iowa, Rosecrance, SafeNetRx, Systems Unlimited

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