Department of Insurance and Financial Services

Insurance Division

House File 2634 and Regulation of Government Cemeteries
Frequently Asked Questions (FAQs)

Definitions

1. "Division" means the Iowa Insurance Division.
2. "Government cemetery" means a cemetery that is owned, operated, or controlled by a governmental subdivision.
3. "Governmental subdivision" means a city, county, or township.

When does House File 2634 take effect?
House File 2634 took effect on July 1, 2026.

Do government cemeteries still have to file an annual report in 2026?
Yes, government cemeteries are required to complete and file an annual report with the Division for the time period of January 1, 2026 to June 30, 2026.

What provisions of Iowa Code Chapter 523I apply to government cemeteries?
Government cemeteries are still regulated by the Division under Chapter 523I, and all provisions of the chapter apply to government cemeteries, unless stated otherwise in the chapter. After enactment of House File 2634, the following provisions do not apply to government cemeteries:
Iowa Code Chapter 523I, Subchapter III, Section 523I.312, Subsection 1
Iowa Code Chapter 523I, Subchapter VIII, Sections 523I.801 through 523I.814

What are some of the biggest changes to the government cemetery regulatory framework after July 1, 2026?
Below is a non-comprehensive list of some of the most prominent requirements of Iowa Code Chapter 523I, Subchapter VIII that no longer apply to government cemeteries.

- No longer required to establish and maintain their care fund(s) as an irrevocable trust administered under the jurisdiction of the district court. Government cemeteries may choose to petition the district court to end the supervision of their existing trust(s).
- No longer required to "set aside" and deposit in the care fund a set amount of moneys received for each sale of interment rights after July 1, 2026.
- No longer required to pay an examination fee for each certificate of interment rights.
- No longer required to submit an annual report to the Division.
- No longer required to apply to the Division for approval to withdraw funds from the government cemetery's care fund.

Will Iowa Administrative Code Chapter 191–101 be amended to reflect the changes in House File 2634?
Yes, the Division intends to update Iowa Administrative Code Chapter 191–101 to reflect the updated provisions in Iowa Code Chapter 523I. Where there is a conflict between the provisions of Chapter 523I and IAC Chapter 191–101, Chapter 523I takes precedence.

Continued on next page

Governmental subdivisions are encouraged to consult with their legal counsel to ensure that they are compliant with all applicable provisions of Chapter 523I and IAC Chapter 191–101 .

House File 2634 amended one of the disclosures that cemeteries are required to include in their interment rights agreements, does that provision apply to government cemeteries?
Yes, cemeteries are required under Iowa Code section 523I.312 to make certain disclosures to consumers in their agreement for interment rights. The law updates one disclosure, related to the contact information for the Iowa Insurance Division, that must be provided to the consumer. The updated required disclosure reads as follows and should be included in all interment rights agreements:

"This agreement is subject to rules administered by the Iowa insurance division. You may contact the Iowa insurance division with inquiries or complaints at iid.iowa.gov."

Cemeteries are expected to make this update in the disclosure section of their interment rights agreements as soon as possible.

Does a governmental subdivision need to report to the Division that they own, operate, or control a government cemetery if they have filed with the Division prior to July 1, 2026?
No, the Division will be able to make the distinction internally without any formal action by the governmental subdivision. If a governmental subdivision owns, operates, or controls a government cemetery that hasn't been disclosed to the Division, they should do so immediately.

How should government cemeteries maintain existing perpetual care funds received through contracts entered into before July 1, 2026?
Existing perpetual care funds must be used for the perpetual care of the designated cemetery in accordance with the contracts entered into between the government cemetery and Iowa consumers.

Perpetual care funds maintained by government cemeteries may be transferred to another existing cemetery fund, but must be treated as separate funds for accounting purposes.

Are government cemeteries prohibited from continuing the use of perpetual care contracts, and the corresponding collection of perpetual care fees?
No. After July 1, 2026, government cemeteries may choose to continue operationally as a perpetual care cemetery, or they may choose to write new contracts, collect different fees, and maintain new funds. Regardless of the government cemetery's choice, the provisions of Iowa Code Chapter 523I, Subchapter VIII will not apply to their operations after July 1, 2026.

Who should a governmental subdivision contact if they have questions about the implementation of House File 2634, or the regulation of government cemeteries under Iowa Code Chapter 523I?
Questions and other regulation-related items should be directed to the Division's Product Regulation Bureau at riu@iid.iowa.gov.