

Condition of the State Address
Governor Kim Reynolds
January 13, 2026

Madam President, Mister Speaker, Lieutenant Governor, First Gentleman, legislative leaders and members, justices and judges, my fellow Iowans:

This is the ninth time I've addressed you from this chamber to report on the condition of the state.

It's a place that has witnessed nearly two centuries of Iowa history—moments of crisis and moments of courage, times of uncertainty and times of renewal. Yet through it all, one thing has remained constant: ordinary citizens stepping forward to do the extraordinary work of self-government.

Every person in this room is part of that story. And every session we add a new chapter—sometimes loud, sometimes quiet, but always lasting.

But history is not only written by laws passed. It's written by lives lived in service. By people who gave their time, their talent, and their hearts to this state.

This evening, we feel the loss of three of them who were with us just last year. Representative Martin Graber, Senator Rocky DeWitt, and Senator Clare Celsi. We honor their lives, their service to the people of Iowa, and the deep commitment each of them brought to this institution.

For many of us, they were more than colleagues, they were friends—and their presence will be greatly missed.

Iowa lost another state leader last year. Representative Janet Metcalf, who served in the Iowa House from 1985 to 2003, and passed away in March.

Each of these public servants left a lasting mark on our state, and we're better for it.

There's no greater calling than service, especially when it asks for the greatest sacrifice.

Exactly one month ago—well beyond these walls and even beyond our Nation's borders—Iowa suffered a different kind of loss. One that reached into every home, in every small town and city neighborhood, and into the very heart of who we are.

On December 13th, 2025, a lone gunman with ties to ISIS opened fire on American troops in Syria. Two of those killed and three wounded were Iowans.

Our fallen soldiers served their state and their country with honor. As respected leaders, they were models of courage, commitment, and character. And as Americans who answered the call when freedom required it, they showed us the greatest love a person can give—by laying down their life for their friends.

Staff Sergeant William Nathaniel Howard of Marshalltown had always dreamed of becoming a soldier. He joined the National Guard at age 17, and served more than 11 years. He stood out not just for his dedication to the mission, but also to his brothers and sisters in arms.

Above all, Staff Sergeant Howard—Nate to his family and friends—was a loyal son and brother, and a loving husband. He cherished those closest to him with tenderness, humor, and a sincere heart.

Staff Sergeant Edgar Torres-Tovar of Des Moines was the pride of his parents and a role model to his siblings. He was certain that his purpose in life was to serve his country, and he enlisted in the United States Army after graduating from high school. He was the first in his family to wear the uniform. And in the words of his father Hugo, he was their hero, and now he is a hero to all of us.

Iowans watched with heavy hearts as our fallen made their journey home. And Iowans were with them every step of the way.

They were escorted from the Middle East by Iowa Guard soldiers and airmen—including Staff Sergeant Howard's own brother, Staff Sergeant James Roelsgard, who served on the same deployment. When they arrived at Dover Air Force Base, another group of Iowans was waiting—the 185th Air Refueling Wing Mortuary Affairs Team—ready to care for their own with dignity and honor.

When I reflect on the evil that robbed our state of two exceptional young men and wounded three others, I'm aware that no words can right the wrongs of their deaths or make up for the heartbreak of their loved ones.

But know this: Their service lives on—in the families they cherished, in the communities they strengthened, and in the freedoms they helped preserve.

This evening, the Torres-Tovar family is with their church community, observing the 30th day since their son's death with a special memorial service. They send their heartfelt gratitude to Iowans for their prayers and support.

Staff Sergeant Howard's wife, parents and brother are with us tonight. I want you to know that you remain in our prayers, and we will never forget Nate's sacrifice.

Tonight, we do not remember our fallen soldiers only in sorrow—but in gratitude. We do not speak their names only in grief—but in honor. And we do not pause simply to mourn—but to celebrate their lives and give thanks for the gift they've given all of us.

Please join me in honoring Staff Sergeant Howard, Staff Sergeant Torres-Tovar, and their families with the applause of a free and grateful people.

As we mourn and honor those we've lost, we have not forgotten our three wounded warriors who answered the same call to duty that day.

One soldier was treated for minor injuries and returned to his unit where he remains to complete his mission.

The two other soldiers were seriously injured—and in their most critical moments were cared for by fellow Iowans. Airmen from the 185th Air Refueling Wing Medical Group, based out of Sioux City and also deployed in the Middle East, took charge of the soldiers' treatment and evacuation.

Lt. Col. Paul Niles, a physician assistant, shared that the wounded were reassured knowing that it was fellow Iowa Guardsmen caring for them, praying with them, and standing beside them.

Days later, they transferred the two wounded soldiers to Germany for stabilization, and then home to the US to continue their recovery with their families.

Iowans taking care of Iowans, all in service of their country. Our State could not be prouder, and tonight, I'm pleased to share some good news.

Both soldiers have been discharged from the hospital and are now being treated in an outpatient facility. Both are doing extremely well and improving every day.

I think I speak for everyone here tonight when I say: We can't wait to welcome you both home.

As I've declared every time I've been at this podium, the condition of our state *is* strong.

It's strong in our families.

It's strong in our communities.

And what we've seen so clearly is that it's strong in the men and women who are willing to stand watch for us all.

With 1,800 Iowa National Guard soldiers and airmen currently deployed overseas in support of Operation Inherent Resolve, nearly everyone in our state has a connection to someone serving, whether it's a son or daughter, a spouse or parent, a friend, neighbor, or coworker.

Our heroes in uniform are on the front lines of the fight against evil. They're the tip of the spear and the center of the shield. And they've done more than we can ever repay.

Here at home, their families are serving in their own way—holding the homefront steady, carrying on with strength and grace, and looking forward to the day when their soldiers return home.

Some of the families of the 2nd Brigade Combat Team, 34th Infantry Division are with us tonight. Will you please stand so we can recognize you and thank you for your service.

We owe our servicemembers a debt of gratitude. And that debt is best paid by ensuring our veterans get every benefit they've earned.

Iowa is home to nearly 178,000 veterans. Yet only one third is receiving the benefits they earned, placing Iowa 44th in the nation for VA compensation.

That's not acceptable.

An outdated system that provides little accountability is leaving too many veterans—and well-meaning county officials—without the tools, training, and consistency they need.

So tonight, I'm proposing a bill to modernize the system statewide.

I'm also proposing that we incentivize better performance by repurposing existing state funds to create a new, performance-based county grant program. The higher a county's VA compensation per capita, the more money a county will earn, ensuring that outcomes improve.

The goal is simple: more benefits reaching more veterans.

Let's do more for the heroes who've done so much for us.

When I first took office in 2017, Iowa's top income tax rate was 8.98%, among the nation's highest. So was our 12% corporate tax rate. Those taxes weren't just numbers on a page. They were eating into paychecks, increasing the cost of doing business, and quietly making life more expensive for Iowa families.

So we took bold, decisive action.

We eliminated the inheritance tax and taxes on retirement income—so families could keep what they had worked a lifetime to build.

We reformed the corporate tax structure, and are on our way to a flat 5.5%—making it easier to grow a business and hire Iowans.

We enacted a 3.8% flat income tax, so your paycheck goes further. And last year, we cut the unemployment insurance tax in half, which will protect jobs and hold down prices.

I'm proud to say, we've cut taxes more than any other state in the country.

That's more than just a number, a ranking, or a percentage. It means more room in the budget for groceries. For school supplies. For a tank of gas.

It means saving more, instead of falling a little further behind.

And thanks to President Trump's historic tax cuts for working families, Iowans are set to save big on federal taxes, too.

And it gets even better. Because we made the decision eight years ago to match all federal tax cuts at the state level, Iowans will get the same relief on their state taxes—including eliminating taxes on tips, overtime, and Social Security.

Not every state is doing this, or even can because of poor budgeting and runaway spending. But in Iowa, we believe the money you earn is better used for your family than your government.

Today, the momentum is real. Despite a challenging global economy, we've attracted over \$20 billion in new capital investment since 2024, creating new jobs and new opportunities.

Yet for all the progress we've made, one issue continues to impact Iowans in every community and across every income level: property taxes.

Whether you live in a small town, growing suburb, or an urban neighborhood, you've probably felt it. Property taxes are rising faster than inflation, faster than paychecks, and faster than population growth.

In fact, over the last two years, they've gone up more than 10%. And that's not acceptable.

Last fall, I held a series of roundtable discussions across the state to hear from Iowans about how it's affecting them.

A farmer told me his property taxes have increased fivefold, to the point where he fears he won't be able to keep his land and pass it on to the next generation.

Kate, a small business owner, said rising property taxes are crowding out her ability to reinvest in her business and community.

And then there's Sandy, a senior who—because of high property taxes—is worried about staying in her home. "Everyone struggles," she wrote to my office, "but they seem to make it even harder when you're a senior."

For each of these stories, there are countless others. And though the problem is clear, the reasons are complicated and many. And that makes it hard to fix.

Over the years, we've tried to rein in local taxing authority. But it's often felt like squeezing a balloon—limit one levy and another one expands.

So this year, we need to go after the real driver of the problem: Spending.

Spending is what drives taxes—always has, always will. And the most reliable way to protect taxpayers is to limit the growth of government itself.

I'm introducing a property tax bill that will cap overall revenue growth for local governments. That way, they can't grow faster than the families who pay the bills.

It's simple but effective. You remember when we were kids, our parents would tell us that money doesn't grow on trees. Well, I think it's time governments learn that lesson too. Wouldn't you agree?

To help protect families from runaway spikes and provide more predictability, I'm also proposing to move property tax assessments to every three years instead of two. And we're taking the burden off taxpayers to appeal large increases, and putting it on assessors to justify them.

I know many in this chamber have other ideas; and I welcome them. But this is how we begin to tackle the problem—and put families back in control.

While nearly every homeowner is feeling the pain of property taxes, one group is especially impacted: our seniors.

Property taxes were never designed for a world where home values soar while incomes stay flat. For older Iowans living on fixed incomes, rising assessments don't mean rising wealth—they mean rising anxiety.

Seniors who did everything right—who worked hard, paid their taxes, and saved—are at risk of being taxed out of the very home they hoped to grow old in.

That's not how it should work.

My proposal freezes property tax bills for Iowans age 65 and up whose homes are valued at \$350,000 or less—so they can stay in their homes and their communities.

Because no one should be taxed out of their own front door.

Rising property taxes and home prices also leave young Iowans wondering if they'll ever be able to achieve the American Dream.

That's why I'm also proposing to create a tax-deductible savings account for first-time homebuyers—modeled on Iowa's 529 program—so families can contribute years in advance, helping sons, daughters, even grandchildren be prepared for homeownership when the time comes.

And it's also why I'm introducing legislation to modernize the beginning-farmer tax credit—expanding its size, making it refundable, and extending it to land sales as well as leases.

That will also strengthen our multi-generational farm families, as the credit applies to sales and leases to relatives.

Whatever their dream, let's make sure it's within reach so more young Iowans will choose to build their future here.

These are important changes, and they need to be made. But here's the truth: property taxes are driven locally, so they can't be fixed by state government alone.

If Iowans want lower property taxes, we must also change how local government works—and who we elect to run it.

We need leaders who understand that government cannot grow faster than the families who pay for it.

If you're one of those people, please run for office. Because we need a government that lives within its means, and leaders who will do the same.

We're doing this at the state level.

We've aligned agencies, eliminated 21 cabinet departments, and cut over 4,000 regulations. And we're not done—and we never should be. Businesses and families don't make one budget and call it good. They're constantly finding better ways to save, and do more with less.

So are we.

Today, we're working with some of the biggest names in tech to modernize state systems, drive efficiencies, and improve services.

We're partnering with Amazon Web Services to consolidate more than 50 state call centers into a single, smarter system that will use AI to get Iowans the help they need—faster, simpler, and at a lower cost.

And through a new partnership with Google Public Sector, we're building a modern, intuitive, and fully compliant Comprehensive Child Welfare system—in a fraction of the time and for less than half the typical cost. This transformational project will not only save taxpayer dollars but will drive better outcomes for the children we serve.

That's what efficiency looks like. And that's how we keep spending in check—so Iowans can keep more of their money.

Now it's time to take that same approach locally. Many communities already are.

Scott County manages waste services at no direct cost to its seventeen member communities—saving nearly \$16 million every year.

Other cities have partnered with their counties for law enforcement services. And others share county engineers and contract with their local hospital to provide the county's public health services.

These solutions do more than save money. They represent the same practical, responsible approach Iowa families take every day. It's time more governments do the same.

And starting tonight, every Iowan can go online to the Iowa Department of Management's website and see how their city or county is spending their tax dollars. I encourage you to take a look at those budgets, ask questions, and be part of the solution.

Tonight, I want to address another issue that cuts across all communities. It's one I know weighs on the minds of many Iowans: our fight against cancer.

Every year, more than 20,000 Iowans are diagnosed with this terrible disease. Everyone in this room has been affected by it in some way. Hearing the news that you, or someone you love, has cancer is devastating. I know it personally, with Kevin's diagnosis two years ago.

And even though we now understand what his diagnosis means and how we can manage it, questions of why it happened remain unanswered. And that's a reality many Iowa families struggle with.

Which is why last year I directed Iowa HHS to partner with the University of Iowa College of Public Health to begin the most comprehensive study of cancer ever undertaken in our state. In the coming weeks, the initial findings will be released.

But we're not waiting for a report to act, because some of the most powerful tools in the fight against cancer are already clear.

Breast cancer caught at stage one has a 99 percent survival rate; prostate cancer is nearly 100 percent.

At stage 4, however, those survival rates dip below 40%. That's why early detection is so important. It doesn't just change outcomes; it changes lives.

That belief became the personal mission of Joe Garcia of Urbandale.

Joe lost his wife, Jennifer, to cancer in 2016. Since then, he's been driven by a vision: a future where every Iowan knows about cancer screening, has access to it—regardless of income, insurance, or ZIP code—and where no family hears the words, "We found it too late."

When Joe and his son J.T. came to my office and shared that vision, I knew it was one Iowa had to help lead.

Joe, J.T., and Mike Schreurs—who also lost his wife, Linda, to cancer—are with us tonight.

Their advocacy has helped turn awareness into action, and their voices have helped shape the statewide effort we're launching now.

Please join me in thanking them for honoring their loved ones by helping protect families across Iowa.

Tonight, I am proud to tell you—that Joe's vision is becoming Iowa's mission.

Just two weeks ago, Iowa's innovative plan to strengthen rural health care—called Healthy Hometowns—was awarded \$209 million for year one of the federal Rural Health Transformation Program.

Just this year, more than \$50 million will be invested specifically in cancer prevention, screening, and treatment. And we expect it to grow to \$183 million over four years.

Here's what that means for families:

It means a working parent who can get a mammogram—and a follow-up MRI—before a lump becomes a diagnosis.

It means Iowans can do a colon cancer test at home—and get a colonoscopy before symptoms ever appear.

It means telehealth visits and new skin-cancer screening tools—so care doesn't get delayed because life is busy.

It means routine prostate exams—catching cancer while it is still treatable.

And it means radon testing and mitigation—so families aren't unknowingly exposed to the second-leading cause of lung cancer in their own homes.

We're making early detection the norm—not the exception. Replacing fear with hope, and making sure that if families hear the word "cancer," they also hear: "We caught it early, and we can treat it."

That's how lives are saved. And that's what Iowa is building—right now.

Of course, early detection is just the beginning.

What happens next is just as important—how quickly care starts, how close to home it can be delivered, and how well families are supported through the hardest days of their lives.

Through our Healthy Hometowns Initiative, we're developing cancer care hubs—helping fund the oncologists, equipment, and advanced medical technology necessary to provide this specialized treatment.

That's step one, and it starts this year. Then, we'll complete this hub-and-spoke model by opening satellite clinics in outlying communities, where patients can get routine cancer care even closer to home.

This effort expands upon our proven Centers of Excellence program, which has increased access to maternal health care in rural Iowa. Now, with a strong foundation in place, we can move faster, go further, and truly transform care by expanding the model to cardiovascular care and mental health. We'll not only improve care—we'll help Iowans get healthier, live healthier, and stay that way.

Our Healthy Hometowns plan also supports communities in creating local care teams who together can provide primary care and chronic disease management for their patients, and ideally locate all providers within one building.

Consider what it would be like if a patient with diabetes and heart disease can see his primary care provider for a routine visit, then meet with a dietician to create a personalized meal plan, discuss his medications with a pharmacy tech, and consult with a care navigator about his health goals all in one afternoon—and at one location.

It would be transformational. And it's all within reach—right now.

As soon as our plan was submitted, we moved into action—opening applications and engaging the medical community, resulting in over 250 proposals from across the state. By the end of this month, we will begin awarding contracts, turning this investment into life-saving treatment.

This is how transformation begins: not with talk, but with action.

It's also important to encourage healthy behaviors so we can reduce the high rate of chronic illness.

Across the U.S., more than 40% of children have at least one chronic health condition. And obesity is a major driver of many of them.

That's concerning, since one out of every six children in Iowa are considered obese. And Iowa ranks 17th in the nation for adult obesity.

This is a serious public health issue. And it's one we're working to address.

Iowa was one of the first states in the country to refocus two federal food assistance programs on the reason they were created: to help low-income families afford nutritious foods.

With USDA's approval, SNAP and Summer EBT in Iowa will help families purchase fresh produce, grains, meat, and dairy—but candy, sweets, and soft drinks are no longer covered.

This year, I'm asking the legislature to make sure our state always maintains a nutrition first focus for these programs by directing the Iowa HHS to maintain a federal waiver going forward.

The days of government programs that enable chronic illness are over. It's time for a new era of accountability and health.

I'm also requiring that physicians take nutrition classes as part of their Continuing Medical Education, so more Iowans have access to the information they need to make informed dietary choices.

Lastly, I'm introducing a bill to remove artificial food dyes from our school lunch programs.

Studies show these chemicals, which provide zero health benefits, contribute to behavioral issues. We can do better for our kids, and we will.

For the last nine years, one principle has guided our work in education: putting students first.

That has meant focusing on what actually improves outcomes—early intervention, strong instruction, clear accountability, and real options for families.

We focused on evidence-based literacy instruction—training teachers in the science of reading, identifying struggling readers earlier, and giving parents clear tools and choices to help every child master the most important skill they will ever learn.

We strengthened accountability, expanded work-based learning, and focused our system on real student growth—not paperwork. And last year, we applied the same evidence-based principles to math instruction.

We also gave teachers the largest raise in state history, because attracting and keeping great teachers is essential to strong schools.

And when the pandemic disrupted learning, Iowa kept classrooms open, prioritized stability and mental health, and helped fuel one of the fastest recoveries in the nation.

We've also expanded educational options—because no single model works for every child.

Today, Iowa families can choose the school that best fits their needs, whether that's the neighborhood public school, another district, a public charter school, or a private school through an Education Savings Account.

And this year marks a milestone.

For the first time in Iowa's history, this school year Education Savings Accounts are universally available—meaning the same State Cost per Pupil follows every child, regardless of income or ZIP code.

Our message to the nation is simple: In Iowa, we fund students, not systems. And the results speak for themselves.

At a time when 78 percent of America's high school seniors are below proficiency in math—and 65 percent in reading—Iowa is moving in the opposite direction.

We are one of only three states in the nation whose students now outperform their own pre-COVID levels in reading and math.

Third- and fourth-grade reading proficiency is up 11%.

Science proficiency among tenth graders is up 7%.

Chronic absenteeism is down nearly 10%.

Attendance is improving. Literacy is improving. Science is improving. Engagement is improving. And teacher vacancies have dropped by more than 30 percent—and now stand at half the national average.

The nation is taking notice.

Just last week, at Broadway Elementary in Denison, US Secretary of Education Linda McMahon and I announced a first-in-the-nation initiative granting Iowa greater control over federal education funding.

This marks an important first step toward fully returning education to the states and ensuring federal resources are aligned with Iowa priorities and Iowa student outcomes.

Broadway Elementary is the perfect example of why that matters. Innovation was happening in every classroom we visited—dual-language immersion, STEM, and the science of reading—and it's driving student achievement. Literacy proficiency jumped from 65% to 72% in just one year. That is what's possible when states and schools are empowered to focus on the work that expands opportunities for every student.

I want to thank the administrators, teachers, and students in Denison for proving why Iowa is leading education nationwide. Please stand so we can honor your outstanding work.

All of this has happened because Iowa made a clear decision: to put students first. That is reflected in the laws we pass, the standards we set, and the priorities we fund.

And it comes to life in our classrooms, where teachers meet kids where they are, believe in what they can become, and do the quiet, everyday work that changes lives.

To every educator who puts students first, thank you for shaping Iowa's future.

One of the clearest examples of our student-first approach can be found in Cedar Rapids.

This year, Cedar Rapids Prep—a tuition-free public charter school—opened its doors for middle-school students and quickly filled every seat, with a waiting list already forming.

Demand has been so strong that plans are already moving forward to expand the school—adding grade levels and a new facility to serve even more families.

Some have described that success as a problem—not because students are struggling, but because enrollment shifts mean that some traditional public schools may need to adjust staffing or facilities.

In other words, the concern is not about how children are doing—it is about how systems are changing.

That is the wrong way to look at it.

If parents are choosing a school because they believe it is working for their children, that's not something to resist. That's something to celebrate.

When a school meets the needs of families, that's progress. And Cedar Rapids Prep is not alone. Other public charter schools are seeking to open across the state next year, bringing even more options to families who want them.

Choice does not weaken our commitment to public education. It strengthens it—by making every school focus on what matters most: the students in front of them.

That's why I am proposing a bill to ensure per-pupil funding truly follows the student, so that every public-school student receives equal support, no matter which public school they attend.

Because equity isn't just about funding; it's also about access.

My proposal will ensure that public charter school students have access to concurrent enrollment classes and extracurricular activities—just like students in traditional public schools.

Every student deserves access to college credit and activities. Not because of where they attend school—but because they are an Iowa kid.

And that's what education is about in the end: not programs, not politics, but students.

Iowa will remain a state that puts students first—and we will never look back.

I couldn't be prouder to be the Governor of Iowa. Across every one of our 99 counties, our people are hardworking, independent, and strong. They believe in responsibility, in community, and in leaving things better than they found them. Serving you has been one of the greatest privileges of my life.

As I enter my final legislative session as your Governor, I do so deeply grateful, fully committed, and determined to finish strong.

There will be time to look back and time to say thank you. But tonight, our focus is forward—on what still needs to be done, and on doing it together.

Because every person in this chamber came here for the same reason: to do what you believe is right for the people of Iowa. We may disagree. We have disagreed. We will disagree again. But those disagreements have always been rooted in conviction, not indifference—and in a shared belief that Iowa is worth fighting for.

And that is what this session must be about.

Not politics, but people. The people who sent us here. The families trying to make ends meet. The farmers weathering uncertainty. The veterans who served us. The students preparing for their future. The seniors who want to stay in their homes and young Iowans who are looking to buy their first. The small businesses and communities that form the backbone of our state.

So let's meet this moment the way Iowans always have: with honesty, with humility, and with a willingness to work together.

Let's solve real problems. Let's deliver real results. And let's leave Iowa stronger than we found it.

The condition of our state is strong. And with the work we do here—together—its future will be even stronger.

Thank you. God bless you. And God bless the great state of Iowa.