



STATE OF IOWA
KIM REYNOLDS
GOVERNOR

June 2, 2026

The Honorable Paul Pate
Secretary of State of Iowa
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit Senate File 2453, an Act providing for investment by regents institutions in certified innovation funds and including effective date provisions.

Iowa's regent universities and their affiliated foundations play an important role in supporting research, innovation, workforce development, and economic opportunity across our state. Iowa should continue encouraging strong partnerships between higher education, entrepreneurs, and private investment to support innovation and economic growth.

However, I am concerned Senate File 2453 creates a statewide investment mandate on university foundation assets without adequately recognizing the independent fiduciary responsibilities of foundation boards and investment professionals based on donor intent, institutional priorities, market conditions, and long-term financial performance. Recent concerns raised by university stakeholders also demonstrate the uncertainty that may result from requiring specific investment allocations through statute.

Iowa should continue supporting innovation and economic development while preserving the flexibility necessary for university foundations to responsibly manage long-term investments in support of students, research, and institutional priorities.

For the above reasons, I respectfully disapprove Senate File 2453 as specified above, in accordance with Article III, Section 16, of the Constitution of the State of Iowa.

Sincerely,

A handwritten signature in black ink that reads "Kim Reynolds".

Kim Reynolds
Governor

cc: Secretary of the Senate
Clerk of the House