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SENATE FILE

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(COMPANION TO LSB 1618HH BY HUSER)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

- 1 An Act creating a housing trust fund and making an appropriation.
- 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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APPROPRIATIONS

1 Section 1. NEW SECTION. 16.181 HOUSING TRUST FUND.

2 1. a. A housing trust fund is created within the
3 authority. The moneys in the housing trust fund are annually
4 appropriated to the authority to be used for the development
5 and preservation of affordable housing for low-income people
6 in the state. Payment of interest, recaptures of awards, or
7 other repayments to the housing trust fund shall be deposited
8 in the fund. Notwithstanding section 12C.7, interest or
9 earnings on moneys in the housing trust fund or appropriated
10 to the fund shall be credited to the fund. Notwithstanding
11 section 8.33, unencumbered and unobligated moneys remaining in
12 the fund at the close of each fiscal year shall not revert but
13 shall remain available for expenditure for the same purposes
14 in the succeeding fiscal year.

15 b. Assets in the housing trust fund shall consist of all
16 of the following:

17 (1) On July 1 of each fiscal year, there is appropriated
18 to the housing trust fund one million dollars from the rebuild
19 Iowa infrastructure fund.

20 (2) Any assets received by the authority from the Iowa
21 housing corporation.

22 (3) Any moneys transferred by the authority for deposit in
23 the housing trust fund.

24 (4) Any other moneys appropriated by the general assembly
25 and any other moneys available to and obtained or accepted by
26 the authority for placement in the housing trust fund.

27 c. The authority shall create the following accounts
28 within the housing trust fund:

29 (1) Local housing trust fund account. Sixty percent of
30 the assets in the housing trust fund shall be allocated to the
31 local housing trust fund account. Any assets remaining in the
32 local housing trust fund account on April 1 of each fiscal
33 year which have not been awarded to a local housing trust fund
34 may be transferred to the project-based housing account at any
35 time prior to the end of the fiscal year.

1 (2) Project-based housing account. Forty percent of the
2 assets in the housing trust fund shall be allocated to the
3 project-based housing account.

4 2. a. In order to be eligible to apply for funding from
5 the local housing trust fund account, a local housing trust
6 fund must be approved by the authority and have all of the
7 following:

8 (1) A local governing board.

9 (2) A housing assistance plan approved by the authority.

10 (3) Sufficient administrative capacity in regard to
11 housing programs.

12 (4) A local match requirement approved by the authority.

13 b. An award from the local housing trust fund account
14 shall be limited to one of the following, whichever is less:

15 (1) Ten percent of the total amount of moneys deposited in
16 the account for the fiscal year.

17 (2) A per capita amount, as determined by the authority,
18 of the total amount to be distributed to eligible local
19 housing trust funds for the fiscal year.

20 c. By December 31 of each year, a local housing trust fund
21 receiving moneys from the local housing trust fund account
22 shall submit a report to the authority itemizing expenditures
23 of the awarded moneys.

24 3. In an area where no local housing trust fund exists, a
25 person may apply for moneys from the project based housing
26 account.

27 4. The authority shall adopt rules pursuant to chapter 17A
28 necessary to implement this section.

29 Sec. 2. FEDERAL HOUSING MONEYS. Any federal moneys
30 received by the department of economic development for the
31 community development block grant program that are allocated
32 for the HOME investment partnership program and for housing
33 shall be coordinated with projects within the housing trust
34 fund established in section 16.181, if enacted.

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EXPLANATION

1 This bill creates a housing trust fund to be administered
2 by the Iowa finance authority.

3 The bill provides that moneys in the fund shall be used for
4 the development and preservation of affordable housing for
5 low-income people in the state. The bill provides that assets
6 in the housing trust fund shall consist of all of the
7 following:

8 1. Each fiscal year, \$1 million shall be appropriated to
9 the housing trust fund from the rebuild Iowa infrastructure
10 fund for housing-related purposes under the housing trust
11 fund.

12 2. Any assets received by the authority from the Iowa
13 housing corporation.

14 3. Any moneys transferred by the authority for deposit in
15 the housing trust fund.

16 4. Any other moneys appropriated by the general assembly
17 and any other moneys available to and obtained or accepted by
18 the authority for placement in the housing trust fund.

19 The bill creates a local housing trust fund account and a
20 project-based housing account within the housing trust fund.

21 The bill provides that 60 percent of the assets in the
22 housing trust fund shall be allocated to the local housing
23 trust fund account. The bill provides that any assets
24 remaining in the local housing trust fund account on April 1
25 of each fiscal year which have not been awarded to a local
26 housing trust fund may be transferred to the project-based
27 housing account at any time prior to the end of the fiscal
28 year. The bill provides that, in order to be eligible to
29 apply for funding from the local housing trust fund account, a
30 local housing trust fund must be approved by the authority and
31 have a local governing board, a housing assistance plan
32 approved by the authority, sufficient administrative capacity
33 in regard to housing programs, and a local match requirement
34 approved by the authority. The bill provides that an award
35 from the local housing trust fund account shall be limited to

1 the lesser of 10 percent of the total amount of moneys
2 deposited in the account for the fiscal year or a per capita
3 amount, determined by the authority, of the total amount to be
4 distributed to eligible local housing trust funds. The bill
5 provides an annual reporting requirement for all local housing
6 trust funds receiving moneys from the local housing trust fund
7 account.

8 The bill provides that 40 percent of the assets in the
9 housing trust fund shall be allocated to the project-based
10 housing account. The bill provides that in an area where no
11 local housing trust fund exists, a person may apply for moneys
12 from the project-based housing account.

13 The bill requires the department of economic development to
14 coordinate the use of federal housing moneys with projects
15 under the housing trust fund.

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