

Energy
Gallagher, Chair
Bruner
Rife

MAR 1 1983

SENATE FILE 329

BY HESTER

Passed Senate, Date _____ Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to the repayment of funds used to weatherize
2 a dwelling under certain conditions and providing a
3 penalty.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

S.F. 329

1 Section 1. NEW SECTION. 93.18 REPAYMENT OF WEATHERIZA-
2 TION GRANTS.

3 1. Grants made by the council to weatherize a residential
4 dwelling shall be repaid according to the schedule established
5 by this section if the residential dwelling is sold within
6 ten years following the date the improvements are completed.
7 The amount owed shall be computed by depreciating the amount
8 of the grant over the ten-year period. The state has a lien
9 on the dwelling for ten years following the completion of
10 the improvements for the amount computed under this section.

11 2. The lien shall be recorded with the county recorder
12 in the county where the property is located in the same manner
13 provided for the indexing of real estate mortgages. The
14 county recorder shall not charge a fee for indexing or re-
15 cording the lien. When the lien expires, the council shall
16 notify the grantee and shall instruct the county recorder
17 to remove the lien. The county recorder shall notify the
18 council when a sale is recorded for a dwelling for which an
19 unexpired lien under this section is recorded.

20 3. This section applies to grants made from federal funds
21 received under Pub. L. No. 97-35, Title XXVI and appropriated
22 for weatherization, oil repayments received by the state and
23 appropriated for weatherization and other state and federal
24 funds appropriated for weatherization. This section does
25 not apply to programs under chapter 220.

26 4. A person who has knowledge of a lien existing under
27 this section and who fails to inform the parties to the sale
28 of the dwelling or who participates in the sale of the dwelling
29 in violation of subsection 1 of this section is, upon convic-
30 tion, guilty of a serious misdemeanor.

31 EXPLANATION

32 This bill requires the repayment of grants for weatheriza-
33 tion of a dwelling if the dwelling is sold within ten years.
34 The amount owed would be based on a ten-year depreciation
35 of the original grant amount. The bill creates a lien on

1 the property for the grant amount which is recorded with the
2 county recorder. Any person who participates in a sale in-
3 volving an unpaid lien or who has knowledge of a lien and
4 does not so inform the parties to a sale is, upon conviction,
5 guilty of a serious misdemeanor.

6 The bill is effective July 1 following enactment.

7
8
9
10
11
12
13
14
15
16
17

SENATE FILE 329
FISCAL NOTE

REQUESTED BY SENATOR HESTER

In compliance with a written request there is hereby submitted a Fiscal Note for Senate File 329 pursuant to Joint Rule 17.

Senate File 329 requires the repayment of grants for weatherization of a dwelling if the dwelling is sold within ten years. The amount owed would be based on a ten-year depreciation of the original grant amount. The bill creates a lien on the property for the grant amount. Any person who participates in a sale involving an unpaid lien or who has knowledge of a lien and does not so inform the parties to a sale is, upon conviction, guilty of a serious misdemeanor.

Fiscal Impact: It is impossible to determine the fiscal impact because it is highly unlikely that many people would consent to a lien, thereby reducing the participation in the weatherization program. Also, no provision is made for rental properties even though federal law requires rental properties to be served.

(0690S, 83-274, RMM)

SOURCES: IOWA ENERGY POLICY COUNCIL

RECEIVED BY THE SECRETARY OF THE SENATE, MARCH 14, 1983

FILED:

BY LEGISLATIVE FISCAL BUREAU

MARCH 16, 1983

DENNIS C. PROUTY, DIRECTOR