

Recreation 3/21/83
SENATE FILE 473

Appropriations
Small, Chair
Tieden
Palmer

REC MAR 18 1983

SENATE FILE 473

BY COMMITTEE ON SMALL BUSINESS
AND ECONOMIC DEVELOPMENT

(FORMERLY SSB 280)
Approved 3/12/83 (J. 851)

Passed Senate, Date _____ Passed House, Date _____

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

Approved _____

A BILL FOR

1 An Act relating to a program of the Iowa housing finance
2 authority to aid in the acquisition of residential
3 dwellings and making an appropriation.

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

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S.F. 473

1 Section 1. Section 220.10, subsection 1, Code 1983, is
2 amended to read as follows:

3 1. All moneys declared by the authority to be surplus
4 moneys which are not required to service bonds and notes
5 issued by the authority, to pay administrative expenses of
6 the authority, or to accumulate necessary operating or loss
7 reserves, shall be used by the authority to pay administrative
8 expenses of or provide loans to the Iowa family farm
9 development authority in connection with the programs
10 authorized in the Iowa family farm development Act, ~~or~~ to
11 provide grants, subsidies, and services to lower income
12 families and very low income families through any of the
13 programs authorized in this chapter, or to provide funds for
14 the interest reduction program established pursuant to sec-
15 tion 2 of this Act.

16 Sec. 2. Chapter 220, Code 1983, is amended by adding the
17 following new section:

18 NEW SECTION. The authority shall initiate a program to
19 reduce interest costs to be paid on a loan for the acquisition
20 of a residential dwelling, to be occupied by the owner of
21 that dwelling, provided the loan is not for more than sixty-
22 one thousand dollars. The authority may provide for the
23 reduction in interest costs by combining loans financed by
24 its sale of tax-exempt bonds with the application of funds
25 obtained through appropriations, moneys declared to be surplus
26 as provided in section 220.10, subsection 1, or moneys obtained
27 from grants, gifts, bequests, contributions and other
28 uncommitted funds, or by the application of these funds to
29 other loans. In reducing the interest costs, the authority
30 may use the above funds to establish pledged accounts or to
31 buy down the principal amount of the loan by any means not
32 prohibited by the constitution or laws of this state.

33 Sec. 3. There is appropriated from the general fund of
34 the state for the fiscal year beginning July 1, 1983, and
35 ending June 30, 1984, to the Iowa housing finance authority

1 the amount of five million five hundred thousand (5,500,000)
2 dollars to be used to fund the program to reduce interest
3 costs to be paid on loans established in section 2 of this
4 Act.

5 EXPLANATION

6 The bill provides that the Iowa housing finance authority
7 initiate a program to provide for a reduction in the interest
8 costs to be paid on a loan for the acquisition of a residential
9 dwelling, to be occupied by the owner of the dwelling, provided
10 the loan is not for more than \$61,000. Moneys for this program
11 would come from surplus moneys which are moneys not needed
12 to repay bonds and not needed for administration. Money that
13 comes from appropriations, grants, contributions, issuance
14 of bonds or notes of the authority, and other sources would
15 also be available to be used in the program. The bill also
16 appropriates \$5,500,000 to fund the program for the fiscal
17 year beginning July 1, 1983.

18 The bill takes effect July 1, 1983.

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