

IOWA FINANCE AUTHORITY[265]

Regulatory Analysis

Notice of Intended Action to be published: rule 265—27.2(16)
“Military Service Member Home Ownership Assistance Program”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 16.5(1)“r” and 16.54
State or federal law(s) implemented by the rulemaking: Iowa Code sections 16.5(1)“r” and 16.54

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

June 30, 2026
9:45 to 10 a.m.

Via Microsoft Teams
Information about Teams participation can be found at
opportunityiowa.gov/about/iowa-finance-authority/ifa-red-tape-review

Public Comment

Any interested persons may submit written comments concerning this Regulatory Analysis, which must be received by the Iowa Finance Authority (Authority) no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Reid Nennig
Iowa Finance Authority
1963 Bell Avenue, Suite 200
Des Moines, Iowa 50315
Email: reid.nennig@iowafinance.com

Purpose and Summary

Pursuant to Executive Order 10, the Authority proposes to amend rule 265—27.2(16) to clarify existing policy regarding the definition of “eligible service member.”

Analysis of Impact

1. Persons affected by the proposed rulemaking:

• **Classes of persons that will bear the costs of the proposed rulemaking:**

Facilitating lenders who incur the annual application fee will inherently bear some cost of the proposed rulemaking.

• **Classes of persons that will benefit from the proposed rulemaking:**

Lenders and eligible service members, as well as Authority staff, may benefit from the improved clarity of the chapter.

2. Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:

• **Quantitative description of impact:**

Authority staff may incur the cost of reviewing and doing due diligence regarding applications. Facilitating lenders may incur the cost of the annual application fee.

• **Qualitative description of impact:**

The proposed rulemaking will provide clarity about the eligibility criteria for this program.

3. Costs to the State:

• **Implementation and enforcement costs borne by the agency or any other agency:**

The Authority incurs staff time to administer this program, including reviewing and doing due diligence regarding applications. The Iowa Department of Veterans Affairs incurs staff time to verify service member eligibility.

• **Anticipated effect on State revenues:**

The proposed rulemaking has no anticipated effect on State revenues.

4. Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:

The proposed rulemaking does not impose any additional cost on facilitating lenders.

5. Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:

The Authority has not identified less costly methods or less intrusive methods.

6. Alternative methods considered by the agency:

• **Description of any alternative methods that were seriously considered by the agency:**

The Authority did not consider any alternative methods.

• **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

The Authority did not consider any alternative methods.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.
- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.
- Consolidate or simplify the rulemaking’s compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rulemaking for small business.
- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

The proposed rulemaking does not have a substantial impact on small business.

Text of Proposed Rulemaking

ITEM 1. Amend rule **265—27.2(16)**, definition of “Eligible service member,” as follows:

“*Eligible service member*” means the same as defined in Iowa Code section 16.54. For the purposes of this definition, “active duty” means service, other than training, under Title 10 or Title 32 of the United States Code as in effect on [effective date of this rulemaking].