CHAPTER 147

ECONOMIC DEVELOPMENT AUTHORITY AND IOWA FINANCE AUTHORITY — DUTIES, PROGRAMS, AND TAX CREDITS

H.F. 975

AN ACT relating to matters under the purview of the economic development authority and the Iowa finance authority including the strategic infrastructure program, brownfield, grayfield, and redevelopment tax credits, community attraction and tourism, vision Iowa, sports tourism marketing, the historic preservation tax credit, homelessness, the title guaranty board, arts and culture, and the Iowa reinvestment Act and including applicability and retroactive applicability provisions.

Be It Enacted by the General Assembly of the State of Iowa:

DIVISION I
STRATEGIC INFRASTRUCTURE PROGRAM

Section 1. Section 15.117A, subsection 6, paragraph c, Code 2025, is amended by striking the paragraph.

Sec. 2. Section 15.313, subsection 3, unnumbered paragraph 1, Code 2025, is amended to read as follows:

~~The Iowa innovation council~~ A committee appointed pursuant to section 15.117A, subsection 7, shall review each application received by the economic development authority for financial assistance under the program and shall make recommendations to the board regarding all of the following:

DIVISION II
BROWNFIELDS, GRAYFIELDS, AND REDEVELOPMENT TAX CREDITS

Sec. 3. Section 15.291, subsections 3 and 11, Code 2025, are amended by striking the subsections.

Sec. 4. Section 15.293A, subsection 3, unnumbered paragraph 1, Code 2025, is amended to read as follows:

The amount of the tax credit shall be determined by the board ~~in conjunction with the council. However, the tax credit~~ and shall not exceed the following amount, as applicable:

Sec. 5. Section 15.293B, subsection 1, paragraphs b, d, and h, Code 2025, are amended to read as follows:

b. The authority shall accept and~~, in conjunction with the council,~~ review applications for tax credits provided in section 15.293A and~~, with the approval of the council,~~ make tax credit award recommendations regarding the applications to the board. The authority may engage outside experts to complete a technical, financial, or other review.

d. Upon review of an application, the authority may register the project with the redevelopment tax credits program. If the authority registers the project, the authority may~~, in conjunction with the council,~~ make a preliminary determination as to the amount of tax credit for which an award recommendation will be made to the board.

h. If the applicant for a tax credit provided in section 15.293A has also applied to an agency of the federal government or to the authority, the board, or any other agency of state government for additional financial assistance, the authority~~, the council,~~ and the board shall consider the amount of funding to be received from such public sources when making a tax credit award pursuant to this section.

Sec. 6. Section 15.293B, subsection 1, paragraph f, subparagraph (1), Code 2025, is amended to read as follows:

(1) All completed applications shall be reviewed and scored on a competitive basis by the ~~council and the board~~ authority. In reviewing and scoring applications, the ~~council and~~

~~the board~~ authority may consider any factors the ~~council and board deem~~ authority deems appropriate for a competitive application process, including but not limited to the financial need, quality, and feasibility of a qualifying redevelopment project.

Sec. 7. Section 15.293B, subsection 2, paragraph c, Code 2025, is amended to read as follows:

c. Any other information deemed necessary by ~~the board and~~ the ~~council~~ authority to review and score the application pursuant to subsection 1.

Sec. 8. Section 15.293B, subsections 4 and 5, Code 2025, are amended to read as follows:

4. A registered project shall be completed within thirty months of the date the project was registered unless the authority, ~~upon recommendation of the council and~~ with the approval of the board, provides additional time to complete the project. If the registered project is not completed within the time required, the project is not eligible to claim a redevelopment tax credit provided in section 15.293A.

5. *a.* The investor shall engage a certified public accountant authorized to practice in this state to conduct an examination of the project in accordance with the American institute of certified public accountants' statements on standards for attestation engagements. Upon completion of a registered project, ~~an audit of the project, completed by an independent certified public accountant licensed in this state,~~ the examination, along with a statement of the amount of final qualifying investment, shall be submitted to the authority.

b. Upon review of the ~~audit and verification of the amount of the qualifying investment,~~ examination and statement submitted pursuant to paragraph *"a"*, the authority may issue a tax credit certificate to the investor stating the amount of tax credit under section 15.293A the investor may claim.

Sec. 9. REPEAL. Sections 15.292, 15.293, 15.294, and 15.295, Code 2025, are repealed.

Sec. 10. TRANSFER OF MONEYS. On the effective date of this division of this Act, any unencumbered or unobligated moneys remaining in the brownfield redevelopment fund created in section 15.293 are transferred to a fund or funds established pursuant to section 15.335B, [1] subsection 1, paragraph "a", as determined by the economic development authority.

DIVISION III
COMMUNITY ATTRACTION AND TOURISM, AND VISION IOWA — REQUIRED BENEFITS

Sec. 11. REPEAL. Section 15F.106, Code 2025, is repealed.

Sec. 12. APPLICABILITY. This division of this Act applies to an applicant awarded financial assistance under both the vision Iowa program established in section 15F.302, and the community attraction and tourism program established in section 15F.202, on or after the effective date of this division of this Act.

Sec. 13. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to an applicant awarded financial assistance under both the vision Iowa program established in section 15F.302, and the community attraction and tourism program established in section 15F.202, prior to the effective date of this division of this Act.

DIVISION IV
COMMUNITY ATTRACTION AND TOURISM PROGRAM, AND SPORTS TOURISM MARKETING AND INFRASTRUCTURE PROGRAM — APPLICATION REVIEW

Sec. 14. Section 15F.203, subsection 2, Code 2025, is amended to read as follows:

2. ~~A~~ The director of the authority shall appoint a review committee composed of ~~five~~ members ~~of the board shall~~ with relevant expertise to review community attraction and

[1] See chapter 136, §135 herein

tourism program applications forwarded to the board ~~and~~. The review committee shall make recommendations regarding the applications to the board.

Sec. 15. Section 15F.402, subsection 2, Code 2025, is amended to read as follows:

2. ~~A~~ The director of the authority shall appoint a review committee composed of ~~five~~ members ~~of the board shall~~ with relevant expertise to review sports tourism marketing and infrastructure program applications forwarded to the board ~~and~~. The review committee shall make recommendations regarding the applications to the authority.

DIVISION V
HISTORIC PRESERVATION TAX CREDIT

Sec. 16. Section 404A.1, subsection 2, Code 2025, is amended by striking the subsection.

Sec. 17. Section 404A.1, subsection 7, Code 2025, is amended by adding the following new paragraph:

NEW PARAGRAPH. *d.* The property is not a single-family dwelling unit, unless the project will result in two or more new single-family dwelling units that were not available for occupancy as residential housing during the immediately preceding consecutive six months prior to commencement of the project, and the dwelling units are located in the same neighborhood, as confirmed by the authority. The two or more new single-family dwelling units must be made available for occupancy as a result of the rehabilitation project. The authority may promulgate by rule criteria used by the authority to determine if a property is a single-family dwelling unit, and qualifies as a qualified rehabilitation project under this paragraph.

Sec. 18. Section 404A.1, Code 2025, is amended by adding the following new subsection:

NEW SUBSECTION. 8. *"Registration date"* means the date on which the authority notifies an eligible taxpayer of successful registration of the taxpayer's qualified rehabilitation project pursuant to section 404A.3, subsection 2.

Sec. 19. Section 404A.3, subsection 3, paragraph b, subparagraphs (4) and (5), Code 2025, are amended to read as follows:

(4) The ~~commencement~~ date ~~of~~ by which the qualified rehabilitation project must commence, which shall ~~not~~ be no later than ~~the end of the fiscal year in which the agreement is entered into~~ one calendar year from the registration date. Upon application of the eligible taxpayer, the authority may, at the discretion of the authority, extend the date by which the qualified rehabilitation project must commence up to an additional twelve consecutive months.

(5) (a) The ~~completion~~ date ~~of~~ by which the qualified rehabilitation project~~, which shall be within thirty-six months of the commencement date~~ must be completed, which shall be no later than three consecutive calendar years from the registration date. The qualified rehabilitation project shall be considered complete as of the date the property that is the subject of the qualified rehabilitation project is placed in service, as described in 26 U.S.C. §47.

(b) Upon application of the eligible taxpayer, the authority may, at the discretion of the authority, extend the date by which the qualified rehabilitation project must be complete up to an additional twelve consecutive months.

(c) Upon application of the eligible taxpayer made prior to the expiration of an extension under subparagraph (b),[2] the authority may, at the discretion of the authority, extend the date by which the qualified rehabilitation project must be complete up to an additional twelve consecutive months. The qualified eligible taxpayer must substantiate to the satisfaction of the authority that the requested extension is warranted due to extenuating circumstances outside the control of the eligible taxpayer.

(d) An application by an eligible taxpayer under subparagraph division (b) or (c) shall be made in the manner and form prescribed by the authority by rule.

[2] See chapter 159, §14 herein

Sec. 20. Section 404A.4, subsection 1, paragraph a, unnumbered paragraph 1, Code 2025, is amended to read as follows:

Except as provided in subsections 2, ~~and~~ 3, and 4, the authority shall not award in any one fiscal year an amount of tax credits provided in section 404A.2 in excess of forty-five million dollars.

Sec. 21. Section 404A.4, Code 2025, is amended by adding the following new subsection:

NEW SUBSECTION. 4. *a.* If, during the fiscal year beginning July 1, 2025, or any fiscal year thereafter, the authority receives an application for a qualified rehabilitation project with qualified rehabilitation expenditures that, if registered by the authority, makes the eligible taxpayer eligible for tax credits of ten million dollars or more, the authority may award tax credits during the fiscal year in which the application is received in an amount not to exceed twenty percent more than the maximum aggregate tax credit award limit specified in subsection 1.

b. Tax credits awarded pursuant to this subsection shall be considered for purposes of calculating the maximum aggregate tax credits awarded pursuant to subsection 1 in the immediately succeeding fiscal year.

DIVISION VI
HOMELESSNESS — IOWA FINANCE AUTHORITY

Sec. 22. Section 16.5F, subsection 3, Code 2025, is amended to read as follows:

3. *a.* The authority ~~shall~~ may adopt rules pursuant to chapter 17A for carrying out the duties of the authority pursuant to this section.

b. The authority ~~shall~~ may establish internal rules of procedure consistent with the provisions of this section.

c. Rules adopted or internal rules of procedure established pursuant to paragraph *"a"* or *"b"* shall be consistent with the requirements of the federal McKinney-Vento Homeless Assistance Act, 42 U.S.C. §11301 et seq.

DIVISION VII
TITLE GUARANTY BOARD — ELIMINATION

Sec. 23. Section 16.1A, subsection 5, Code 2025, is amended to read as follows:

5. The board may, by resolution, delegate to the agricultural development board~~, title guaranty division board~~, director, or other authority employee such of its powers, under such terms and conditions, as it deems appropriate.

Sec. 24. Section 16.2A, Code 2025, is amended by striking the section and inserting in lieu thereof the following:

16.2A Title guaranty division.

A title guaranty division is created within the authority. The division may also be referred to as Iowa title guaranty. The powers of the division relating to the issuance of title guaranties are vested in and shall be exercised by the board. The director shall appoint an attorney as director of the division. The appointment of, and compensation for, the division director shall be exempt from the merit system under chapter 8A, subchapter IV, part 2. The net earnings of the division, beyond that necessary for reserves, backing, guaranties issued, or to otherwise implement the public purposes and programs authorized, shall not inure to the benefit of any person other than the state and are subject to section 16.2, subsection 9.

Sec. 25. Section 16.91, subsections 1, 3, and 6, Code 2025, are amended to read as follows:

1. The authority, through the Iowa title guaranty division, shall initiate and operate a program in which the division shall offer guaranties of real property titles in this state. The terms, conditions, and form of the guaranty contract shall be forms approved by the ~~division~~ board. The division shall fix a charge for the guaranty in an amount sufficient to permit the program to operate on a self-sustaining basis, including payment of administrative costs and the maintenance of an adequate reserve against claims under the Iowa title guaranty program. A title guaranty fund is created in the office of the treasurer of state. Funds

collected under this program shall be placed in the title guaranty fund and are available to pay all claims, necessary reserves and all administrative costs of the Iowa title guaranty program. Moneys in the fund shall not revert to the general fund and interest on the moneys in the fund shall be deposited in the housing trust fund ~~established~~ created in section 16.181 and shall not accrue to the general fund. If the ~~authority~~ board ~~in consultation with the division board~~ determines that there are surplus funds in the title guaranty fund after providing for adequate reserves and operating expenses of the division, the surplus funds shall be transferred to the housing assistance fund created pursuant to section 16.40.

3. With the approval of the ~~authority~~ board, the division ~~and its board~~ shall consult with the insurance division of the department of insurance and financial services in developing a guaranty contract acceptable to the secondary market and developing any other feature of the program with which the insurance division may have special expertise. Except as provided in this subsection, the Iowa title guaranty program is not subject to the jurisdiction of or regulation by the insurance division or the commissioner of insurance.

6. Prior to the issuance of a title guaranty, the division shall require evidence that an abstract of title to the property in question has been brought up-to-date and certified by a participating abstractor in a form ~~approved by division rules~~ acceptable to the division, and a title opinion issued by a participating attorney in ~~the form approved in the rules~~ a form acceptable to the division stating the attorney's opinion as to the title. The division shall require evidence of the abstract being brought up-to-date and the abstractor shall retain evidence of the abstract as determined by the ~~board~~ division.

Sec. 26. Section 16.92, subsection 1, paragraph d, Code 2025, is amended by striking the paragraph.

Sec. 27. Section 16.92, subsection 1, paragraph e, Code 2025, is amended to read as follows:

e. "Mortgage" means a mortgage or mortgage lien on an interest in real property in this state given to secure a loan in an original principal amount equal to or less than the maximum principal amount as determined by the division ~~board~~ and adopted by the authority pursuant to rules promulgated under chapter 17A.

Sec. 28. Section 16.93, subsection 1, unnumbered paragraph 1, Code 2025, is amended to read as follows:

The authority, through the Iowa title guaranty division, may issue a closing protection letter to a person to whom a proposed title guaranty is to be issued, upon the request of the person, if the division issues a commitment for title guaranty or title guaranty certificate. The closing protection letter shall conform to the terms of coverage and form of the instrument as approved by the ~~division~~ board and may indemnify a person to whom a proposed title guaranty is to be issued against loss of settlement funds due to only the following acts of the division's named participating attorney, participating abstractor, or closer:

Sec. 29. Section 16.93, subsection 3, Code 2025, is amended to read as follows:

3. The division ~~board~~ shall establish the amount of coverage to be provided and may distinguish between classes of property including, but not limited to, residential, agricultural, or commercial, provided that the total amount of coverage provided by the closing protection letter shall not exceed the amount of the commitment or title guaranty to be issued. Liability under the closing protection letter shall be coextensive with liability under the certificate to be issued in connection with a transaction such that payments under the terms of the closing protection letter shall reduce by the same amount the liability under the title guaranty certificate and payment under the title guaranty certificate shall reduce the liability under the terms of the closing protection letter.

DIVISION VIII
ARTS AND CULTURE

Sec. 30. Section 15.108, subsection 7, Code 2025, is amended to read as follows:

7. *Cultural affairs.* To develop the state's interest in the areas of the arts, history, and other cultural matters. To carry out this responsibility, the authority shall:

a. Accept, receive, and administer grants or other funds or gifts from public or private agencies, including the federal government, for the authority.

~~*b.* Administer the Iowa cultural trust, as advised and assisted by the Iowa arts council, as provided in subchapter II, part 30, and do all of the following:~~

~~(1) Develop and adopt by rule criteria for the issuance of trust fund credits by measuring the efforts of qualified organizations to increase their endowment or other resources for the promotion of the arts, history, or the sciences and humanities in Iowa. For purposes of this paragraph, "*qualified organization*" means a tax-exempt, nonprofit organization whose primary mission is to promote the arts, history, or the sciences and humanities in Iowa. If the authority determines that a qualified organization has increased the amount of the qualified organization's endowment and other resources, the authority shall certify the amount of increase in the form of trust fund credits to the treasurer, who shall deposit in the Iowa cultural trust fund, from moneys received for purposes of the trust fund as provided in section 15.479, subsection 2, an amount equal to the trust fund credits. If the amount of the trust fund credits issued by the authority exceeds the amount of moneys available to be deposited in the trust fund as provided in section 15.479, subsection 2, the outstanding trust fund credits shall not expire but shall be available to draw down additional moneys which become available to be deposited in the trust fund as provided in section 15.479, subsection 2.~~

~~(2) Develop and implement, in accordance with subchapter II, part 30, a grant application process for grants issued to qualified organizations.~~

~~(3) Develop and adopt by rule criteria for the approval of Iowa cultural trust grants. The criteria shall include but shall not be limited to the future stability and sustainability of a qualified organization.~~

~~(4) Compile, in consultation with the Iowa arts council, a list of grant applications recommended for funding in accordance with the amount available for distribution as provided in section 15.481, subsection 3.~~

~~(5) Monitor the allocation and use of grant moneys by all qualified organizations to determine whether moneys are used in accordance with the provisions of this paragraph "*b*" and subchapter II, part 30.~~

~~*c.*~~ *b.* Design a comprehensive, statewide, long-range plan with the assistance of the Iowa arts council to develop the arts in Iowa. The authority is designated as the state agency for carrying out the plan.

~~*d.*~~ *c.* ~~By rule, establish~~ Establish advisory groups as necessary for the receipt of federal funds or grants or the administration of any of the authority's programs.

~~*e.* Develop and implement fee-based educational programming opportunities, including preschool programs, related to arts, history, and other cultural matters for Iowans of all ages.~~

~~*f.* Conduct surveys of existing art and cultural programs and activities within the state, including but not limited to music, theater, dance, painting, sculpture, architecture, and allied arts and crafts. The authority shall submit, or include as part of the annual report under section 15.107B, a report on the survey to the governor and to the general assembly no later than ten calendar days after the commencement of each first session of the general assembly recommending appropriate legislation or other action as the authority deems appropriate.~~

~~*g.*~~ *d.* ~~Establish and administer a film office. The purpose of the film office is to assist legitimate film, television, and video producers in~~ Provide technical assistance for the production of film, television, and video projects in the state~~, and to increase the fiscal impact on the state's economy of film, television, and video projects produced in the state~~.

Sec. 31. Section 15.274, Code 2025, is amended to read as follows:

15.274 Promotional program for national historic landmarks and cultural and entertainment districts.

The economic development authority, in cooperation with the state department of transportation, shall establish and administer a program designed to promote knowledge of and access to buildings, sites, districts, structures, and objects located in this state that have been designated by the secretary of the interior of the United States as a national historic landmark, unless the national historic landmark is protected under section 22.7, subsection 20~~, and certified cultural and entertainment districts, as established pursuant to section 15.438~~. The program shall be designed to maximize the visibility and visitation of national historic landmarks in this state ~~and buildings, sites, structures, and objects located in certified cultural and entertainment districts, as established pursuant to section 15.438~~. Methods used to maximize the visibility and visitation of such locations may include the use of tourism literature, signage on highways, maps of the state and cities, and internet sites. For purposes of this section, *"highway"* means the same as defined in section 325A.1.

Sec. 32. Section 15.436, Code 2025, is amended by striking the section and inserting in lieu thereof the following:

15.436 Arts and culture enhancement fund.

1. The economic development authority shall, pursuant to section 15.106A, subsection 1, paragraph *"o"*, establish the arts and culture enhancement fund to be used for the purposes of this section. The fund shall consist of any moneys appropriated by the general assembly for purposes of this section and any other moneys that are lawfully available to the authority. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the fund shall accrue to the authority and shall be used for purposes of this section. Notwithstanding section 8.33, moneys in the fund at the end of each fiscal year shall not revert to any other fund but shall remain in the fund for expenditure for subsequent fiscal years.

2. The authority shall allocate moneys in the arts and culture enhancement fund in appropriate amounts to be used for the following purposes:

a. To provide support to municipal and nonprofit arts and cultural organizations that serve as significant attractions or community resources.

b. To support artists and entities that foster artistic and cultural expression, promote lifelong learning and engagement in the arts, advance community development goals, or emphasize Iowa's diverse heritage through the creation, performance, or presentation of artworks.

c. To increase access to arts and culture in rural and underserved communities in the state.

d. For the promotion of and investment in film, television, and video projects produced in the state.

e. To address other goals and priorities as reflected in the comprehensive, statewide, long-range plan designed by the authority with the assistance of the Iowa arts council pursuant to section 15.108, subsection 7.

f. For administrative costs related to this section.

3. The authority may adopt by rule eligibility and priority criteria for allocation of moneys in the arts and culture enhancement fund.

Sec. 33. Section 15.465, subsection 2, Code 2025, is amended to read as follows:

2. The term of office of each member of the Iowa arts council is three years. The ~~governor shall designate~~ council may elect a chairperson and a vice chairperson from the members of the council ~~to serve at the pleasure of the governor~~. All vacancies shall be filled for the balance of any unexpired term in the same manner as original appointments. The members of the council shall not receive compensation for their services, but shall be reimbursed for their actual and necessary expenses incurred in the performance of their duties as members of the council. Members may also be eligible for compensation as provided in section 7E.6.

Sec. 34. Section 15.466, Code 2025, is amended to read as follows:

15.466 Duties of Iowa arts council.

The Iowa arts council shall review programs to be supported and make recommendations on the programs to the director to ensure that Iowa citizens and communities have access to the cultural, civic, economic, and educational benefits of the arts. The council may solicit public input including but not limited to input on the comprehensive, statewide, long-range

plan created by the authority with the assistance of the Iowa arts council pursuant to section 15.108, subsection 7.

Sec. 35. Section 15H.6, subsection 3, Code 2025, is amended to read as follows:

3. The capacity building activities shall be targeted in communities that are already working with existing community improvement programs, including but not limited to ~~the Iowa great places program established under section 15.439,~~ the green streets and main street Iowa programs administered by the economic development authority, and disaster remediation activities by communities located within an area declared to be a disaster area in a declaration issued by the president of the United States or the governor.

Sec. 36. Section 99F.11, subsection 4, paragraph d, subparagraph (1), Code 2025, is amended to read as follows:

(1) Five hundred twenty thousand dollars is appropriated each fiscal year to the economic development authority ~~with one-half of the moneys allocated for operational support grants and the remaining one-half allocated for the community cultural grants program established under~~ for deposit in the arts and culture enhancement fund established in section 15.436.

Sec. 37. REPEAL. Sections 15.437, 15.438, 15.439, 15.440, 15.441, 15.476, 15.477, 15.478, 15.479, 15.481, and 15.482, Code 2025, are repealed.

Sec. 38. TRANSFER OF MONEYS. On the effective date of this division of this Act, all unencumbered and unobligated moneys remaining in the Iowa great places program fund created in section 15.440, the Iowa cultural trust fund created in section 15.479, and the Iowa cultural trust grant account created in section 15.482 are transferred to the arts and culture enhancement fund established pursuant to section 15.436, as amended by this division of this Act.

DIVISION IX
CONFORMING CHANGES

Sec. 39. Section 16.6, subsection 4, Code 2025, is amended to read as follows:

4. The director may establish administrative divisions within the authority in order to most efficiently and effectively carry out the authority's responsibilities, provided that any creation or modification of authority divisions be established only after consultation with the board ~~of the authority~~.

Sec. 40. Section 16.64, subsection 1, Code 2025, is amended to read as follows:

1. The authority shall publish a notice of intention to issue bonds or notes. After sixty days from the date of publication of the notice, an action shall not be brought questioning the legality of any bonds or notes or the power of the authority to issue any bonds or notes or to the legality of any proceedings in connection with the authorization or issuance of the bonds or notes after determination by the board ~~of the authority~~ to proceed with the issuance of the bonds or notes.

DIVISION X
IOWA REINVESTMENT ACT — DISTRICT ESTABLISHMENT

Sec. 41. Section 15J.4, subsection 1, paragraph c, Code 2025, is amended to read as follows:

c. For districts approved before July 1, 2018, the area consists of contiguous parcels and does not exceed twenty-five acres in total. For districts approved on or after July 1, 2020, the area consists of contiguous parcels and does not exceed ~~seventy-five~~ one hundred twenty-five acres in total.

Sec. 42. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to July 1, 2020.

Approved June 6, 2025