

Senate File 625

S-3222

1 Amend Senate File 625 as follows:

2 1. By striking everything after the enacting clause and  
3 inserting:

4 <DIVISION I

5 TITLE OF ACT

6 Section 1. TITLE OF ACT. This Act shall be known and may be  
7 cited as the "Empower Rural Iowa Act".

8 DIVISION II

9 BROADBAND

10 Sec. 2. Section 8B.1, Code 2019, is amended by adding the  
11 following new subsection:

12 NEW SUBSECTION. 4A. "*Facilitate*" means a communication  
13 service provider's ability to provide broadband service at  
14 or above the download and upload speeds specified in the  
15 definition of targeted service area in this section to a home,  
16 farm, school, or business within a commercially reasonable  
17 time and at a commercially reasonable price upon request by a  
18 consumer.

19 Sec. 3. Section 8B.1, subsection 12, Code 2019, is amended  
20 to read as follows:

21 12. "*Targeted service area*" means a United States census  
22 bureau census block located in this state, including any crop  
23 operation located within the census block, within which no  
24 communications service provider offers or facilitates broadband  
25 service at or above ~~twenty-five megabits per second of download~~  
26 ~~speed and three megabits per second of upload speed as of~~  
27 July 1, 2015 the download and upload speeds identified by the  
28 federal communications commission pursuant to section 706 of  
29 the federal Telecommunications Act of 1996, as amended.

30 Sec. 4. Section 8B.1, Code 2019, is amended by adding the  
31 following new subsection:

32 NEW SUBSECTION. 12A. "*Underserved area*" means any portion  
33 of a targeted service area within which no communications  
34 service provider offers or facilitates broadband service  
35 meeting the download and upload speeds specified in the

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1 definition of targeted service area in this section.

2 Sec. 5. Section 8B.10, subsection 1, Code 2019, is amended  
3 to read as follows:

4 1. The determination of whether a communications service  
5 provider offers or facilitates broadband service meeting the  
6 download ~~or~~ and upload speeds specified in the definition of  
7 targeted service area in section 8B.1 shall be determined  
8 or ascertained by reference to broadband availability maps  
9 or data sources that are widely accepted for accuracy and  
10 available for public review and comment and that are identified  
11 by the office by rule. The office shall periodically make  
12 renewed determinations of whether a communications service  
13 provider offers or facilitates broadband service at or above  
14 the download and upload speeds specified in the definition of  
15 targeted service area in section 8B.1, which shall, to the  
16 extent updated maps and data sources are available at the time,  
17 include making such determinations prior to each round of grant  
18 applications solicited by the office pursuant to section 8B.11.

19 Sec. 6. Section 8B.11, subsection 1, Code 2019, is amended  
20 to read as follows:

21 1. The office shall administer a broadband grant program  
22 designed to award reduce or eliminate unserved and underserved  
23 areas in the state, leveraging federal funds and public and  
24 private partnerships where possible, by awarding grants to  
25 communications service providers that reduce or eliminate  
26 targeted service areas by installing broadband infrastructure  
27 that facilitates broadband service in targeted service areas  
28 at or above the download and upload speeds specified in  
29 the definition of targeted service area in section 8B.1, in  
30 accordance with this section.

31 Sec. 7. Section 8B.11, subsection 2, paragraph c, Code 2019,  
32 is amended to read as follows:

33 *c.* Notwithstanding [section 8.33](#), moneys in the fund  
34 that remain unencumbered or unobligated at the close of the  
35 fiscal year shall not revert but shall remain available for

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1 expenditure for the purposes designated until ~~the close of~~  
2 ~~the succeeding fiscal year~~ three years following the last  
3 day of the fiscal year in which the funds were originally  
4 appropriated.

5 Sec. 8. Section 8B.11, subsection 3, Code 2019, is amended  
6 to read as follows:

7 3. Communications service providers may apply to the office  
8 for a grant pursuant to **this section** for the installation of  
9 broadband infrastructure that facilitates broadband service  
10 ~~at or above twenty-five megabits per second of download speed~~  
11 ~~and three megabits per second of upload speed~~ in targeted  
12 service areas at or above the download and upload speeds  
13 specified in the definition of targeted service area in  
14 section 8B.1. The office may, by rule, increase the minimum  
15 download and upload speeds for grant eligibility pursuant to  
16 this section. The office shall include representatives from  
17 schools, communities, agriculture, industry, and other areas  
18 as appropriate to review and recommend grant awards. The  
19 office shall conduct an open application review process ~~and~~  
20 ~~include~~ that includes the opportunity for the public to submit  
21 factual information as part of a validation process to address  
22 claims that a targeted service area is currently served with  
23 broadband service at or above the download and upload speeds  
24 specified in the definition of targeted service area in section  
25 8B.1. Upon completion of the validation process, the office  
26 may modify a proposed targeted service area to account for  
27 information received during the validation process. The office  
28 shall make available a public internet site for identifying all  
29 publicly available information contained in the applications,  
30 the members of the review committee, a summary of the review  
31 committee's recommended results, and any results of performance  
32 testing conducted after the project is completed.

33 Sec. 9. Section 8B.11, subsection 4, Code 2019, is amended  
34 to read as follows:

35 4. a. The office shall award grants on a competitive

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1 basis for the installation of broadband infrastructure that  
2 facilitates broadband service in targeted service areas at  
3 or above the download and upload speeds specified in the  
4 definition of targeted service area in section 8B.1, after  
5 considering the following:

6 (1) The relative need for broadband infrastructure in the  
7 area and the existing broadband service speeds, including  
8 whether the project serves a rural area or areas.

9 (2) The applicant's total proposed budget for the project,  
10 including the amount or percentage of local or federal matching  
11 funds, if any, any funding obligations shared between public  
12 and private entities, and the percentage of funding provided  
13 directly from the applicant.

14 (3) The relative download and upload speeds of proposed  
15 projects for all applicants.

16 (4) The specific product attributes resulting from the  
17 proposed project, including technologies that provide higher  
18 qualities of service, such as service levels, latency, and  
19 other service attributes as determined by the office.

20 ~~(2)~~ (5) The percentage of the homes, farms, schools, and  
21 businesses in the targeted service area that will be provided  
22 access to broadband service.

23 ~~(3)~~ (6) The geographic diversity of the project areas of  
24 all the applicants.

25 ~~(4)~~ (7) The economic impact of the project to the area.

26 ~~(5)~~ ~~The applicant's total proposed budget for the project,~~  
27 ~~including the amount or percentage of local match, if any.~~

28 ~~(6)~~ (8) Other factors the office deems relevant.

29 b. In considering the factors listed in paragraph "a"  
30 for awarding grants pursuant to this section, the office  
31 shall afford the greatest weight to the factors described in  
32 paragraph "a", subparagraphs (1) through (3).

33 ~~b.~~ c. Except as otherwise provided in [this section](#), the  
34 office shall not evaluate applications based on the office's  
35 knowledge of the applicant except for the information provided

1 ~~is~~ obtained by the office during the application process or  
2 period for public comment.

3 Sec. 10. Section 8B.11, subsections 7 and 8, Code 2019, are  
4 amended to read as follows:

5 7. The office shall not award a grant pursuant to this  
6 section on or after July 1, ~~2020~~ 2025.

7 8. The office ~~shall~~ may adopt rules pursuant to chapter 17A  
8 interpreting this chapter or necessary for administering this  
9 chapter, including but not limited to rules relating to the  
10 broadband grant program process, management, and measurements  
11 as deemed necessary by the office.

12 Sec. 11. Section 8B.11, Code 2019, is amended by adding the  
13 following new subsection:

14 NEW SUBSECTION. 9. The office shall adopt rules  
15 establishing procedures to allow aggrieved applicants an  
16 opportunity to challenge the office's award of grants under  
17 this section.

18 Sec. 12. Section 427.1, subsection 40, paragraphs a and b,  
19 Code 2019, are amended to read as follows:

20 a. The owner of broadband infrastructure shall be entitled  
21 to an exemption from taxation to the extent provided in this  
22 subsection for assessment years beginning before January 1,  
23 ~~2022~~ 2027. ~~For the purposes of~~ Unless the context otherwise  
24 requires, the words and phrases used in this subsection,  
25 "broadband infrastructure" and "targeted service area" mean the  
26 same as shall have the same meaning as the words and phrases  
27 used in chapter 8B, including but not limited to the words and  
28 phrases defined in section 8B.1.

29 b. The exemption shall apply to the installation of  
30 broadband infrastructure that facilitates broadband service  
31 at or above ~~twenty-five megabits per second of download speed~~  
32 ~~and three megabits per second of upload speed~~ the download  
33 and upload speeds specified in the definition of targeted  
34 service area in section 8B.1 commenced and completed on or  
35 after July 1, 2015, and before July 1, ~~2020~~ 2025, in a targeted

1 service area, and used to deliver internet services to the  
2 public. A person claiming an exemption under [this subsection](#)  
3 shall certify to the local assessor prior to commencement of  
4 the installation that the ~~broadband~~ installation of broadband  
5 infrastructure will take place facilitate broadband service  
6 at or above the download and upload speeds specified in the  
7 definition of targeted service area in section 8B.1 within a  
8 targeted service area and shall specify the current number of  
9 homes, farms, schools, and businesses in the targeted service  
10 area that were offered broadband service and the download and  
11 upload speeds available prior to the broadband infrastructure  
12 installation for which the exemption is claimed and the number  
13 of homes, farms, schools, and businesses in the targeted  
14 service area that will be offered broadband service and the  
15 download and upload speeds that will be available as a result  
16 of installation of the broadband infrastructure for which the  
17 exemption is claimed.

18 Sec. 13. Section 427.1, subsection 40, paragraph f,  
19 subparagraph (1), subparagraph division (d), Code 2019, is  
20 amended to read as follows:

21 (d) Certification from the office of the chief information  
22 officer pursuant to [section 8B.10](#) that the installation ~~is~~  
23 ~~being performed or was completed~~ will facilitate broadband  
24 service at or above the download and upload speeds specified  
25 in the definition of targeted service area in section 8B.1 in  
26 a targeted service area. ~~Certification from the office of~~  
27 ~~the chief information officer that broadband infrastructure~~  
28 ~~installed in a targeted service area facilitates broadband~~  
29 ~~service at or above twenty-five megabits per second of download~~  
30 ~~speed and three megabits per second of upload speed.~~

31 Sec. 14. Section 427.1, subsection 40, paragraph i, Code  
32 2019, is amended to read as follows:

33 *i.* [This subsection](#) is repealed July 1, ~~2024~~ 2030.

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DIVISION III

WORKFORCE HOUSING TAX INCENTIVE PROGRAM

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1     Sec. 15. Section 15.119, subsection 2, paragraph g, Code  
2 2019, is amended to read as follows:

3     g. The workforce housing tax incentives program administered  
4 pursuant to sections 15.351 through 15.356. In allocating  
5 tax credits pursuant to this subsection, the authority shall  
6 not allocate more than ~~twenty~~ twenty-five million dollars for  
7 purposes of this paragraph. Of the moneys allocated under  
8 this paragraph, ~~five~~ ten million dollars shall be reserved for  
9 allocation to qualified housing projects in small cities, as  
10 defined in section 15.352, that are registered on or after July  
11 1, 2017.

12     Sec. 16. Section 15.119, Code 2019, is amended by adding the  
13 following new subsection:

14     NEW SUBSECTION. 5. Notwithstanding subsection 1, and  
15 in addition to amounts allocated pursuant to subsection 2,  
16 paragraph "g", the authority shall allocate ten million dollars  
17 to the workforce housing tax incentives program administered  
18 pursuant to sections 15.351 through 15.356, for qualified  
19 housing projects located in a county that has been declared  
20 a major disaster by the president of the United States on  
21 or after March 12, 2019, and that is also a county in which  
22 individuals are eligible for federal individual assistance.  
23 In allocating tax credits pursuant to this subsection for the  
24 period beginning July 1, 2019, and ending June 30, 2024, the  
25 authority shall not allocate more than ten million dollars for  
26 purposes of this subsection. This subsection is repealed July  
27 1, 2024.

28     Sec. 17. Section 15.352, subsection 10, Code 2019, is  
29 amended to read as follows:

30     10. "*Small city*" means any city or township located in this  
31 state, except those located wholly within one or more of the  
32 eleven most populous counties in the state, as determined by  
33 the most recent federal decennial census population estimates  
34 issued by the United States bureau of census. ~~For the purposes~~  
35 ~~of this part, a small city that is located in more than one~~

1 ~~county shall be considered to be located in the county having~~  
2 ~~the greatest taxable base within the small city.~~

3 Sec. 18. Section 15.353, subsection 2, Code 2019, is amended  
4 by adding the following new paragraph:

5 NEW PARAGRAPH. *f.* For a housing project located in any  
6 county that has been declared a major disaster by the president  
7 of the United States on or after March 12, 2019, and that is  
8 also a county in which individuals are eligible for federal  
9 individual assistance, development at a greenfield site.

10 Sec. 19. Section 15.354, subsection 1, paragraph a, Code  
11 2019, is amended to read as follows:

12 *a.* A housing business seeking workforce housing tax  
13 incentives provided in [section 15.355](#) shall make application to  
14 the authority in the manner prescribed by the authority. The  
15 authority may accept applications ~~on a continuous basis~~ during  
16 one or more annual application periods to be determined by the  
17 authority by rule.

18 Sec. 20. Section 15.354, subsection 1, Code 2019, is amended  
19 by adding the following new paragraph:

20 NEW PARAGRAPH. *c.* In addition to complying with all  
21 applicable requirements in paragraph "b", a housing business  
22 that chooses to be considered as an applicant for tax credits  
23 reserved pursuant to section 15.119, subsection 5, shall also  
24 submit a certification that the applicant's housing project is  
25 located in a county that has been declared a major disaster by  
26 the president of the United States on or after March 12, 2019,  
27 and is also a county in which individuals are eligible for  
28 federal individual assistance. The housing business must also  
29 submit documentation that provides evidence that the qualified  
30 housing project is needed due to impact of the disaster that is  
31 the subject of the presidential major disaster declaration.

32 Sec. 21. Section 15.354, subsection 2, Code 2019, is amended  
33 to read as follows:

34 2. *Registration. Application review — tax incentive award.*

35 *a.* All completed applications shall be reviewed and scored

1 on a competitive basis by the authority pursuant to rules  
2 adopted by the authority.

3 ~~a.~~ b. ~~Upon review of the application, the authority~~  
4 ~~may register the housing project under the program. If the~~  
5 ~~authority registers the housing project, the authority shall~~  
6 ~~make a preliminary determination as to the amount of tax~~  
7 ~~incentives for which the housing project qualifies and scoring~~  
8 ~~of all applications received during an application period, the~~  
9 ~~authority may make a tax incentive award to a housing project,~~  
10 ~~which tax incentive award shall represent the maximum amount of~~  
11 ~~tax incentives the housing project may qualify for under the~~  
12 ~~program. In determining a tax incentive award, the authority~~  
13 ~~shall not use an amount of project costs that exceeds the~~  
14 ~~amount included in the application of the housing business.~~  
15 Tax incentive awards shall be approved by the director of the  
16 authority.

17 ~~b.~~ c. ~~After registering the housing project making a~~  
18 ~~tax incentive award, the authority shall notify the housing~~  
19 ~~business of successful registration under the program its tax~~  
20 ~~incentive award. The notification shall include the amount~~  
21 ~~of tax incentives under section 15.355 for which the housing~~  
22 ~~business has received preliminary approval an award and a~~  
23 ~~statement that the amount is a preliminary determination only~~  
24 ~~housing business has no right to receive a tax incentive~~  
25 ~~certificate or claim a tax incentive until all requirements~~  
26 ~~of the program, including all requirements imposed by the~~  
27 ~~agreement entered into pursuant to subsection 3, are satisfied.~~  
28 The amount of tax credits included on a tax credit certificate  
29 issued pursuant to this section, or a claim for refund of sales  
30 and use taxes, shall be contingent upon completion of the all  
31 requirements in subsection 3.

32 d. An applicant that does not receive a tax incentive award  
33 during an application period may make additional applications  
34 during subsequent application periods. Such applicant shall be  
35 required to submit a new application and shall be competitively

1 reviewed and scored in the same manner as other applicants in  
2 that application period.

3 Sec. 22. Section 15.354, subsection 3, paragraphs a and e,  
4 Code 2019, are amended to read as follows:

5 a. Upon ~~successful registration of receipt of a tax~~  
6 incentive award by the housing project, the housing business  
7 shall enter into an agreement with the authority for the  
8 successful completion of all requirements of the program. The  
9 agreement shall identify the tax incentive award amount, the  
10 tax incentive award date, the project completion deadline, and  
11 the total costs of the housing project.

12 e. (1) Upon review of the examination and verification  
13 of the amount of the qualifying new investment, the authority  
14 may notify the housing business of the amount that the housing  
15 business may claim as a refund of the sales and use tax under  
16 section 15.355, subsection 2, and may issue a tax credit  
17 certificate to the housing business stating the amount of  
18 workforce housing investment tax credits under [section 15.355,](#)  
19 subsection 3, the eligible housing business may claim. The  
20 sum of the amount that the housing business may claim as a  
21 refund of the sales and use tax and the amount of the tax credit  
22 certificate shall not exceed the amount of the tax incentive  
23 award.

24 (2) If upon review of the examination in subparagraph  
25 (1) the authority determines that a housing project has  
26 incurred project costs in excess of the amount submitted in the  
27 application made pursuant to [subsection 1](#) and identified in the  
28 agreement, the authority shall do one of the following:

29 (a) If the project costs do not cause the housing project's  
30 average dwelling unit cost to exceed the applicable maximum  
31 amount authorized in [section 15.353, subsection 3](#), the  
32 authority may consider the agreement fulfilled and may issue a  
33 tax credit certificate.

34 (b) If the project costs cause the housing project's  
35 average dwelling unit cost to exceed the applicable maximum

1 amount authorized in [section 15.353, subsection 3](#), but does not  
2 cause the average dwelling unit cost to exceed one hundred ten  
3 percent of such applicable maximum amount, the authority may  
4 consider the agreement fulfilled and may issue a tax credit  
5 certificate. In such case, the authority shall reduce the tax  
6 incentive award and the corresponding amount of tax incentives  
7 the eligible housing project may claim under section 15.355,  
8 subsections 2 and 3, by the same percentage that the housing  
9 project's average dwelling unit cost exceeds the applicable  
10 maximum amount under [section 15.353, subsection 3](#), and such  
11 tax incentive reduction shall be reflected on the tax credit  
12 certificate. If the authority issues a certificate pursuant  
13 to this subparagraph division, the department of revenue  
14 shall accept the certificate notwithstanding that the housing  
15 project's average dwelling unit costs exceeds the maximum  
16 amount specified in [section 15.353, subsection 3](#).

17 (c) If the project costs cause the housing project's  
18 average dwelling unit cost to exceed one hundred ten percent  
19 of the applicable maximum amount authorized in section 15.353,  
20 subsection 3, the authority shall determine the eligible  
21 housing business to be in default under the agreement, shall  
22 revoke the tax incentive award, and shall not issue a tax  
23 credit certificate. The housing business shall not be allowed  
24 a refund of sales and use tax under section 15.355, subsection  
25 2.

26 Sec. 23. Section 15.354, subsection 4, Code 2019, is amended  
27 by striking the subsection and inserting in lieu thereof the  
28 following:

29 4. *Maximum tax incentives amount.*

30 a. (1) For fiscal years beginning on or after July 1, 2019,  
31 the authority shall not award in any fiscal year an amount of  
32 tax incentives for housing projects located in small cities, or  
33 for other housing projects, in excess of the amounts allocated  
34 for each category in section 15.119, subsection 2, paragraph  
35 "g". This paragraph "a" applies to housing projects awarded tax

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1 incentives pursuant to subsection 2 on or after July 1, 2019,  
2 and to housing projects registered prior to July 1, 2019, under  
3 section 15.354, subsection 2, Code 2019.

4 (2) Notwithstanding subparagraph (1), and section 15.119,  
5 subsection 2, paragraph "g", if the sum of the amount of tax  
6 incentives applied for in valid applications submitted in a  
7 given fiscal year beginning on or after July 1, 2019, for  
8 housing projects located in small cities, plus the amount  
9 of tax incentives eligible for issuance to housing projects  
10 located in small cities that were registered prior to July  
11 1, 2019, under section 15.354, subsection 2, Code 2019, does  
12 not exceed the amount reserved for housing projects located  
13 in small cities pursuant to section 15.119, subsection 2,  
14 paragraph "g", the authority may award the remaining amount of  
15 tax incentives reserved for housing projects located in small  
16 cities to other housing projects during that same fiscal year.

17 (3) Notwithstanding subparagraph (1), and section 15.119,  
18 subsection 2, paragraph "g", the authority may award during a  
19 fiscal year an aggregate amount of tax incentives to housing  
20 projects located in small cities that is less than the amount  
21 reserved for allocation to small cities under section 15.119,  
22 subsection 2, paragraph "g", provided the difference between  
23 the amount of the small city reservation and the aggregate  
24 amount actually awarded to small cities during that fiscal year  
25 is awarded during that same fiscal year to housing projects  
26 registered prior to July 1, 2018.

27 b. With regard to a housing project registered prior to  
28 July 1, 2019, a tax incentive shall be considered awarded for  
29 purposes of paragraph "a" when the authority enters into an  
30 agreement with the housing business for that housing project  
31 as provided under section 15.354, subsection 3, Code 2019.  
32 Notwithstanding any provision of law to the contrary, a housing  
33 business shall have no right to enter into an agreement with  
34 the authority for a housing project registered prior to July 1,  
35 2019, until the authority allocates an amount of tax incentives

1 to the housing project and notifies the housing business  
2 that the authority is prepared to execute the agreement  
3 and make a tax incentive award for the housing project. A  
4 housing business shall have no right to receive a tax credit  
5 certificate or claim a tax incentive for a housing project  
6 registered prior to July 1, 2019, until the housing business  
7 enters into an agreement with the authority.

8 *c.* In making tax incentive awards during any fiscal year  
9 in which there are housing projects registered prior to July  
10 1, 2019, which are eligible to receive tax incentives under  
11 the program, the authority shall give priority in making tax  
12 incentive awards to housing projects registered prior to July  
13 1, 2019. The authority shall create and maintain a wait list  
14 of housing projects registered prior to July 1, 2019, and such  
15 housing projects shall be placed on the wait list in the order  
16 the housing projects were registered.

17 *d.* The maximum aggregate amount of tax incentives that  
18 may be awarded and issued under section 15.355 to a housing  
19 business for a housing project shall not exceed one million  
20 dollars.

21 *e.* If a housing business qualifies for a higher amount  
22 of tax incentives under section 15.355 than is allowed by  
23 the limitation imposed in paragraph "*d*", the authority and  
24 the housing business may negotiate an apportionment of the  
25 reduction in tax incentives between the sales tax refund  
26 provided in section 15.355, subsection 2, and the workforce  
27 housing investment tax credits provided in section 15.355,  
28 subsection 3, provided the total aggregate amount of tax  
29 incentives after the apportioned reduction does not exceed the  
30 amount in paragraph "*d*".

31 *f.* The authority shall issue tax incentives under the  
32 program on a first-come, first-served basis until the maximum  
33 amount of tax incentives allocated under section 15.119,  
34 subsection 2, paragraph "*g*", is reached. The authority shall  
35 maintain a list of housing projects registered prior to July

1 1, 2019, and of housing projects awarded tax incentives on or  
2 after July 1, 2019, so that if the maximum aggregate amount  
3 of tax incentives is reached in a given fiscal year, such  
4 registered housing projects that were completed but for which  
5 tax incentives were not issued, and such housing projects that  
6 were completed and are awarded tax incentives but for which tax  
7 incentives have not been issued, shall be placed on a wait list  
8 in the order the housing projects were registered or awarded  
9 tax incentives and shall be given priority for receiving tax  
10 incentives in succeeding fiscal years.

11 Sec. 24. Section 15.354, subsection 5, Code 2019, is amended  
12 to read as follows:

13 5. *Termination and repayment.* The failure by a housing  
14 business in completing a housing project to comply with any  
15 requirement of this program or any of the terms and obligations  
16 of an agreement entered into pursuant to [this section](#) may  
17 result in the revocation, reduction, termination, or rescission  
18 of the tax incentive award or the approved tax incentives and  
19 may subject the housing business to the repayment or recapture  
20 of tax incentives claimed under [section 15.355](#). The repayment  
21 or recapture of tax incentives pursuant to [this section](#) shall  
22 be accomplished in the same manner as provided in section  
23 15.330, subsection 2.

24 Sec. 25. Section 15.354, Code 2019, is amended by adding the  
25 following new subsection:

26 NEW SUBSECTION. 6. *Disaster recovery housing projects.*

27 *a.* For purposes of this subsection, "*disaster recovery*  
28 *housing project*" means a qualified housing project located in a  
29 county that has been declared a major disaster by the president  
30 of the United States on or after March 12, 2019, and that is  
31 also a county in which individuals are eligible for federal  
32 individual assistance.

33 *b.* Notwithstanding subsection 1, the authority may accept  
34 applications for disaster recovery housing projects on a  
35 continuous basis.

1     *c.* Notwithstanding subsection 2, paragraphs “a”, “b”, and  
2 “d”, upon review of a housing business’s application, the  
3 authority may make a tax incentive award to a disaster recovery  
4 housing project. The tax incentive award shall represent the  
5 maximum amount of tax incentives that the disaster recovery  
6 housing project may qualify for under the program. In  
7 determining a tax incentive award, the authority shall not use  
8 an amount of project costs that exceeds the amount included in  
9 the application of the housing business. Tax incentive awards  
10 shall be approved by the director of the authority.

11     *d.* The authority shall administer tax credit allocations  
12 for disaster recovery housing projects separately from the  
13 general allocation and separately from the allocation reserved  
14 for small cities in section 15.119, subsection 2, paragraph  
15 “g”. The authority shall issue tax incentives under the  
16 program for disaster recovery housing projects on a first-come,  
17 first-served basis until the maximum amount of tax incentives  
18 allocated under section 15.119, subsection 5, is reached. The  
19 authority shall maintain a list of disaster recovery housing  
20 projects awarded tax incentives under the program, so that if  
21 the maximum aggregate amount of tax incentives allocated for  
22 disaster recovery housing projects under the program is reached  
23 in a given fiscal year, such disaster recovery housing projects  
24 that were completed but for which tax incentives were not  
25 issued shall be placed on a wait list in the order the disaster  
26 recovery housing projects were awarded tax incentives pursuant  
27 to paragraph “c”, and shall be given priority for receiving tax  
28 incentives in succeeding fiscal years.

29     Sec. 26. Section 15.355, subsection 2, Code 2019, is amended  
30 to read as follows:

31     2. A housing business may claim a refund of the sales and  
32 use taxes paid under [chapter 423](#) that are directly related to  
33 a housing project and specified in the agreement. The refund  
34 available pursuant to [this subsection](#) shall be as provided in  
35 section 15.331A, excluding [subsection 2](#), paragraph “c”, of

1 that section. For purposes of the program, the term “*project*  
2 *completion*”, as used in [section 15.331A](#), shall mean the date on  
3 which the authority notifies the department of revenue that all  
4 applicable requirements of an agreement entered into pursuant  
5 to [section 15.354](#) are satisfied.

6 Sec. 27. Section 15.355, subsection 3, paragraph a,  
7 subparagraphs (1) and (2), Code 2019, are amended to read as  
8 follows:

9 (1) For a housing project not located in a small city, ten  
10 percent of the qualifying new investment of a housing project  
11 specified in the agreement.

12 (2) For a housing project located in a small city, twenty  
13 percent of the qualifying new investment of a housing project  
14 specified in the agreement.

15 Sec. 28. Section 15.355, subsection 3, paragraph a, Code  
16 2019, is amended by adding the following new subparagraph:

17 NEW SUBPARAGRAPH. (3) For a housing project located in a  
18 county that has been declared a major disaster by the president  
19 of the United States on or after March 12, 2019, and that is  
20 also a county in which individuals are eligible for federal  
21 individual assistance, twenty percent of the qualifying new  
22 investment of a housing project.

23 Sec. 29. WORKFORCE HOUSING TAX INCENTIVES PROGRAM — FISCAL  
24 YEAR 2019-2020. Notwithstanding section 15.119, subsection 2,  
25 paragraph “g”, for the fiscal year beginning July 1, 2019, and  
26 ending June 30, 2020, all moneys allocated pursuant to section  
27 15.119, subsection 2, paragraph “g”, shall be allocated by the  
28 economic development authority to qualified housing projects  
29 in small cities, as defined in section 15.352, that were  
30 registered prior to July 1, 2019. If the sum of the amount of  
31 tax incentives allocated in the fiscal year beginning July 1,  
32 2019, and ending June 30, 2020, for housing projects located in  
33 small cities that were registered prior to July 1, 2019, does  
34 not exceed the moneys that may be allocated pursuant to section  
35 15.119, subsection 2, paragraph “g”, the authority may allocate

1 the remaining moneys to other qualified housing projects that  
2 were registered prior to July 1, 2019.

3     Sec. 30. EMERGENCY RULES. The economic development  
4 authority may adopt emergency rules under section 17A.4,  
5 subsection 3, and section 17A.5, subsection 2, paragraph "b",  
6 to implement the provisions of this division of this Act and  
7 the rules shall be effective immediately upon filing unless  
8 a later date is specified in the rules. Any rules adopted  
9 in accordance with this section shall also be published as a  
10 notice of intended action as provided in section 17A.4.

11     Sec. 31. EFFECTIVE DATE. This division of this Act, being  
12 deemed of immediate importance, takes effect upon enactment.

13     Sec. 32. APPLICABILITY.

14     1. Except as provided in subsection 2, this division of  
15 this Act applies to housing projects awarded tax incentives by  
16 the authority under the program on or after July 1, 2019, and  
17 housing projects registered by the authority under the program  
18 prior to July 1, 2019, shall be governed by sections 15.352,  
19 15.354, and 15.355, Code 2019.

20     2. The provision of this division of this Act amending  
21 section 15.354, subsection 4, applies to housing projects  
22 registered by the authority under the program prior to July 1,  
23 2019, and to housing projects awarded tax incentives by the  
24 authority under the program on or after July 1, 2019.>

25     2. Title page, by striking lines 1 and 2 and inserting <An  
26 Act creating an empower rural Iowa Act to provide incentives  
27 for broadband and workforce housing, and including effective  
28 date and applicability provisions.>

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RANDY FEENSTRA