
FISCAL TOPICS

Fiscal Services Division

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Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

Shelter Assistance Fund

Purpose and History

The Shelter Assistance Fund was established with the enactment of 1997 Iowa Acts, chapter [201](#) (FY 1998 Economic Development Appropriations Act). The Fund was created as a revolving fund in the State Treasury under the control of the Department of Economic Development (DED). The Fund was to be used for grants to construct, rehabilitate, expand, or operate group home shelters for the homeless and victims of domestic violence. The creation of the Fund consolidated responsibility for homeless and domestic violence shelter grants within one agency, the DED. In FY 1998, the Fund received a \$400,000 General Fund appropriation and a transfer of 5.0% of the State's annual share (\$345,000 to \$390,000) of Real Estate Transfer Tax receipts in 1997 Iowa Acts, chapter 201. The Iowa Finance Authority (IFA) was also authorized to allocate excess moneys to the Fund. The Act required not less than \$546,000 of the moneys in the Fund to be expended on homeless shelter projects.

The Iowa Code section originally establishing the Fund was repealed with the enactment of 2010 Iowa Acts, chapter [1031](#) (State Government Reorganization Act), and replaced with Iowa Code section [16.41](#).

Iowa Code section 16.41 establishes the Fund as a revolving fund in the State Treasury under the control of the IFA, consisting of any moneys appropriated by the General Assembly and received under Iowa Code section [428A.8](#) for costs of operations of shelters for the homeless and domestic violence shelters, essential services for the homeless, and evaluation and reporting of services for the homeless. Iowa Code section 428A.8 requires the annual transfer of 5.0% of the State's share of Real Estate Transfer Tax receipts to the Fund. All moneys in the Fund which remain unexpended or unobligated at the close of a fiscal year do not revert to the General Fund and remain available for expenditure for subsequent fiscal years.

Each fiscal year, moneys in the Fund equal to not more than 3.0% of the total moneys distributed as grants from the Fund during the fiscal year may be used for purposes of administering the Fund.

The IFA is required to award grants to qualified applicants on a competitive basis.

Fund Revenue

The Fund receives annual revenue of approximately \$1.5 million from the State's share of Real Estate Transfer Tax receipts, expends the same amount in State aid, and has approximately \$1.0 million in carryforward funds each year. The State's share of Real Estate Transfer Tax receipts was approximately \$30.0 million in FY 2024.

Related Statutes and Administrative Rules

Iowa Code section [16.41](#)

Iowa Code section [428A.8](#)

Iowa Administrative Code [265—41](#)

Doc ID 1386212

More Information

Shelter Assistance Fund: iowafinance.com/homelessness/homeless-service-agencies/shelter-assistance-fund

LSA Staff Contact: Evan Johnson (515.281.6301) evan.johnson@legis.iowa.gov