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FEB 25 1998

Place On Calendar

HOUSE FILE 2444
BY COMMITTEE ON ECONOMIC
DEVELOPMENT

(SUCCESSOR TO HF 2265)

Passed House, ^(p.416) Date 3/3/98 Passed Senate, Date _____
Vote: Ayes 96 Nays 0 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to annual reports, audits, and board of director
2 composition of nonprofit corporations created by or in
3 association with the Iowa finance authority and providing
4 effective dates.

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

HOUSE FILE 2444

H-8154

1 Amend House File 2444 as follows:

- 2 1. Page 1, line 8, by inserting after the word
- 3 "two" the following: "nonvoting ex-officio".
- 4 2. Page 1, line 18, by inserting after the word
- 5 "assisted," the following: "project fees received,".
- 6 3. Page 1, line 27, by inserting after the word
- 7 "members." the following: "The information submitted
- 8 pursuant to this paragraph shall include the
- 9 compensation received, including salary and benefits,
- 10 received by each employee and board member."

By HOLVECK of Polk
BOGGESS of Taylor
CHURCHILL of Polk

Adopted 3/3/98
(P.415)

H-8154 FILED MARCH 2, 1998

HF 2444

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1 Section 1. Section 16.5, Code Supplement 1997, is amended
2 by adding the following new subsections:

3 NEW SUBSECTION. 18. Require any nonprofit corporation
4 created by or in association with the authority since January
5 1, 1989, to include two representatives of nonprofit housing
6 organizations as voting members on the board of directors of
7 any such corporation. Any such nonprofit corporation shall
8 not have more than two members on the board of directors who
9 are employed by the authority or serve on the board of
10 directors of the authority.

11 NEW SUBSECTION. 19. Require any nonprofit corporation
12 created by or in association with the authority since January
13 1, 1989, to file a detailed report by January 15 of each year
14 with the chairpersons and ranking members of the appropriate
15 appropriations subcommittees of the general assembly which
16 shall include, at a minimum, all of the following:

17 a. An annual report of the corporation.

18 b. An itemized list of projects assisted, project
19 locations, types and amounts of assistance provided, and
20 contact persons for each project.

21 c. A list of fixed assets of the corporation, including
22 the date the fixed assets were acquired and the cost of the
23 fixed assets.

24 d. An itemized list of types and amounts of financial
25 assistance provided to the corporation by outside sources.

26 e. A list, by position, of all corporate employees and
27 board members.

28 NEW SUBSECTION. 20. Require any nonprofit corporation
29 created by or in association with the authority since January
30 1, 1989, to adopt a written conflict of interests policy. The
31 policy shall include, but not be limited to, a prohibition
32 against a board member or employee of the corporation having a
33 financial interest in any project of the corporation.

34 Sec. 2. AUDIT. By January 15, 1999, the auditor of state
35 shall conduct an audit, or review any previously completed

1 audit, of any nonprofit corporation in existence which has
2 been incorporated since January 1, 1989, by or in association
3 with the Iowa finance authority, for the entire time period
4 since the corporation was incorporated. The auditor shall
5 make or cause to be made a written report consistent with and
6 similar to the type of report required under section 11.4.
7 The auditor of state may conduct similar additional audits of
8 the same nonprofit corporation as the auditor deems necessary
9 and the nonprofit corporation shall pay a fee for all audits
10 conducted.

11 Sec. 3. HOUSING CORPORATION BOARD. The board of directors
12 of the Iowa housing corporation shall consist of nine voting
13 members serving staggered three-year terms. Two members shall
14 be representatives of nonprofit housing organizations with one
15 member appointed by the governor, subject to confirmation by
16 the senate, and one member named by the Iowa coalition for
17 housing and the homeless. The Iowa association of realtors,
18 the home builders association of Iowa, and the Iowa mortgage
19 bankers association shall all appoint one member to the board.
20 The governor shall appoint the remaining four board members
21 subject to confirmation by the senate. The terms of three
22 board members shall expire each year. Board members serving
23 on the effective date of this Act shall complete their current
24 terms and shall have their positions on the board filled by
25 the members who are to be appointed by the governor. Board
26 members filling the four new positions on the board which are
27 appointed by the private associations may serve less than a
28 three-year term during the initial term in order to properly
29 stagger the terms. All appointments to the board of directors
30 made by the governor shall conform to the requirements of
31 sections 69.15, 69.16, 69.16A, 69.17, 69.18, and 69.19.

32 Sec. 4. EFFECTIVE DATE. This Act, being deemed of
33 immediate importance, takes effect upon enactment.

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EXPLANATION

35 This bill requires any nonprofit corporation created by or

1 in association with the Iowa finance authority since January
2 1, 1989, to include two representatives of nonprofit housing
3 organizations as voting members on the board of directors of
4 any such corporation. The bill requires such corporations to
5 file a report annually with the chairpersons and ranking
6 members of the appropriate appropriations subcommittees, which
7 includes an annual report, information related to projects,
8 information related to the assets of the corporation,
9 information on financial assistance provided to the
10 corporation by outside sources, and a list of corporate
11 employees and board members.

12 The bill requires the auditor of state, by January 1, 1999,
13 to conduct an audit or review any previously conducted audit
14 of any nonprofit corporation in existence which has been
15 incorporated since January 1, 1989, by or in association with
16 the Iowa finance authority. The audit shall cover the entire
17 time period since the corporation was incorporated. The bill
18 requires the auditor of state to make a written report
19 consistent with and similar to the type of report required
20 under Code section 11.4. Code section 11.4 requires findings
21 regarding the condition of the entity, the expenditure of
22 moneys, the efficiency of the entity, illegal or
23 unbusinesslike practices, recommendations for simplicity,
24 accuracy, and efficiency, contract comparisons for goods and
25 services, and any other information which may be of value.

26 The bill provides that the Iowa housing corporation shall
27 have a board of directors consisting of nine members serving
28 staggered three-year terms.

29 The bill provides an immediate effective date.

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HOUSE FILE 2444
BY COMMITTEE ON ECONOMIC
DEVELOPMENT

(SUCCESSOR TO HF 2265)

(As Amended and Passed by the House, March 3, 1998)

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New Language _____

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