

MAR 17 1999
WAYS AND MEANS

3/25/99 Rereferred To: Approp.

HOUSE FILE 724
BY JACOBS

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the real estate transfer tax and housing
2 councils.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 724

1 Section 1. NEW SECTION. 15.355 HOUSING COUNCILS.

2 1. A county retaining any real estate transfer tax
3 receipts in addition to the initial seventeen and one-fourth
4 percent retained by a county pursuant to section 428A.8, shall
5 use the additional receipts for housing projects and programs
6 throughout the county as identified in the housing needs
7 assessment.

8 2. A housing council, encompassing one or more counties,
9 may be established and, if established, may coordinate housing
10 programs in the entire county of each participating county and
11 encourage the formation of partnerships regarding housing, and
12 shall make recommendations on the use of the additional
13 receipts for housing projects in the entire county of each
14 participating county.

15 3. For purposes of this section, the membership of a
16 housing council shall include a broad range of individuals and
17 organizations from the entire county of each participating
18 county with representation from each of the following:

19 a. The board of supervisors of each county included in the
20 housing council.

21 b. The city council of cities located within the counties
22 included in the housing council.

23 c. Nonprofit organizations involved in housing issues.

24 d. Lending institutions.

25 e. Any other organizations involved in the housing
26 industry.

27 f. Any interested citizens of the counties included in the
28 housing council.

29 4. Each county participating in a housing council shall
30 complete a housing needs assessment if one has not already
31 been completed.

32 5. Any county which retains annually more than one hundred
33 thousand dollars in real estate transfer tax receipts pursuant
34 to section 428A.8, is prohibited from applying for financial
35 assistance under the local housing assistance program

1 established in section 15.353.

2 6. Any county which retains real estate transfer tax
3 receipts in addition to the initial seventeen and one-fourth
4 percent retained by a county pursuant to section 428A.8, shall
5 submit a report to the department of economic development and
6 the Iowa finance authority by January 31 of the following
7 year. The report shall be in a form prescribed by the
8 department of economic development and shall include
9 information required by the department. The report shall
10 include, but not be limited to, an itemized accounting of the
11 use of such receipts, the use of any moneys received under the
12 local housing assistance program, whether the housing goals of
13 the county were met, and an evaluation of moneys spent in
14 relation to the housing needs assessment.

15 Sec. 2. Section 428A.8, Code 1999, is amended to read as
16 follows:

17 428A.8 REMITTANCE TO STATE TREASURER -- PORTION RETAINED
18 IN COUNTY.

19 On or before the tenth day of each month the county
20 recorder shall determine and pay to the treasurer of state
21 eighty-two and three-fourths percent of the receipts from the
22 real estate transfer tax collected during the preceding month
23 and the treasurer of state shall deposit ninety-five percent
24 of the receipts in the general fund of the state and transfer
25 five percent of the receipts to the shelter assistance fund
26 created in section 15.349.

27 The county recorder shall deposit the remaining seventeen
28 and one-fourth percent of the receipts in the county general
29 fund.

30 However, if the county is a member of a housing council as
31 provided in section 15.355 and a housing needs assessment has
32 been completed as required by section 15.355, the county
33 recorder shall not pay to the treasurer of state the eighty-
34 two and three-fourths percent of the total receipts collected
35 during the preceding month. Instead, the county recorder

1 shall pay to the treasurer of state thirty-two and three-
2 fourths percent of the total receipts collected during the
3 preceding month, which shall be deposited and transferred by
4 the treasurer of state as otherwise provided in this section,
5 and shall retain for the county fifty percent of the total
6 receipts collected during the preceding month.

7 The county recorder shall keep records and make reports
8 with respect to the real estate transfer tax as the director
9 of revenue and finance prescribes.

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EXPLANATION

11 This bill provides that a housing council, encompassing one
12 or more counties, may be established and, if established may
13 coordinate housing programs in the entire county of each
14 participating county and encourage the formation of
15 partnerships regarding housing, and shall make recommendations
16 regarding the funding of housing projects. The bill provides
17 that membership on a housing council shall include individuals
18 and organizations from each participating county with
19 representation from a broad range of local housing interests.
20 The bill requires each county participating in a housing
21 council to complete a housing needs assessment.

22 The bill provides that if a county is a member of a housing
23 council and has completed a housing needs assessment, the
24 county shall retain 50 percent of the total receipts from the
25 real estate transfer tax collected during the preceding month
26 in addition to the 17 and one-fourth percent that the county
27 already retains. The bill provides that the additional 50
28 percent of the real estate transfer tax receipts retained by a
29 county shall be used for housing projects in the county. The
30 bill provides that if a county retains more than \$100,000
31 annually in receipts, the county is prohibited from applying
32 for financial assistance under the local housing assistance
33 program. The bill requires any county which retains real
34 estate transfer tax receipts in addition to the initial 17 and
35 one-fourth percent retained by a county to submit an annual

1 report to the department of economic development and the Iowa
2 finance authority regarding the use of the receipts.

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