

House Study Bill 64

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
REBUILD IOWA AND DISASTER
RECOVERY BILL BY
CHAIRPERSON SCHUELLER)

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

A BILL FOR

1 An Act relating to disaster assistance by providing a jumpstart
2 housing assistance program, disaster aid individual assistance
3 grants, and community disaster grants, making appropriations,
4 and providing effective and retroactive applicability dates.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
6 TLSB 1877HC 83
7 tm/rj/5

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1 1 DIVISION I
1 2 JUMPSTART HOUSING ASSISTANCE
1 3 Section 1. NEW SECTION. 16.191 JUMPSTART HOUSING
1 4 ASSISTANCE PROGRAM.
1 5 1. The Iowa finance authority shall establish and
1 6 administer a jumpstart housing assistance program. Under the
1 7 program, the authority shall provide grants to local
1 8 government participants for purposes of distributing the
1 9 moneys to eligible residents for eligible purposes relating to
1 10 disaster-affected homes.
1 11 2. An eligible resident is a person residing in a
1 12 disaster-affected home who is the owner of record of a right,
1 13 title, or interest in the disaster-affected home and who
1 14 either has been approved by the federal emergency management
1 15 agency for housing assistance or has a family income equal to
1 16 or less than one hundred fifty percent of the county median
1 17 family income.
1 18 3. a. Eligible purposes include forgivable loans for down
1 19 payment assistance and housing repair or rehabilitation and
1 20 forgivable loans for interim mortgage assistance. An eligible
1 21 resident who receives a forgivable loan may also receive
1 22 energy efficiency assistance which shall be added to the
1 23 principal of the forgivable loan. Forgivable loans shall be
1 24 for a term of not more than ten years.
1 25 b. Forgivable loans awarded after the effective date of
1 26 this division of this Act shall be awarded pursuant to the
1 27 following priorities:
1 28 (1) First priority shall be given to eligible residents
1 29 who have not received any moneys under the jumpstart housing
1 30 assistance program prior to the effective date of this
1 31 division of this Act.
1 32 (2) Second priority shall be given to eligible residents
1 33 who have received less than twenty-four thousand nine hundred
1 34 ninety-nine dollars under the jumpstart housing assistance
1 35 program prior to the effective date of this division of this
2 1 Act.
2 2 (3) Third priority shall be given to eligible residents
2 3 who have received twenty-four thousand nine hundred
2 4 ninety-nine dollars under the jumpstart housing assistance
2 5 program prior to the effective date of this division of this
2 6 Act and who continue to have unmet needs for down payment
2 7 assistance, housing repair or rehabilitation, interim mortgage
2 8 assistance, or energy efficiency assistance.
2 9 4. Except as provided in subsection 3, paragraph "b",
2 10 subparagraph (3), an eligible resident who meets the county
2 11 median family income requirement shall not receive more than
2 12 twenty-four thousand nine hundred ninety-nine dollars under
2 13 the program.
2 14 5. A local government participant may retain a portion of
2 15 the grant moneys for administrative purposes as provided in a

2 16 grant agreement between the authority and the local government
2 17 participant. The moneys retained for administrative purposes
2 18 shall not exceed three percent of the moneys received by a
2 19 local government participant.

2 20 6. Any moneys paid to a local government participant by an
2 21 eligible resident shall be remitted to the authority for
2 22 deposit in the housing assistance fund created in section
2 23 16.40.

2 24 7. As determined by the authority, unused or unobligated
2 25 moneys in the jumpstart housing assistance program may be
2 26 reclaimed and reallocated by the authority to other local
2 27 government participants.

2 28 8. As used in this section, unless the context otherwise
2 29 requires:

2 30 a. "Disaster-affected home" means a dwelling that was
2 31 destroyed or damaged due to a natural disaster occurring after
2 32 May 24, 2008, and before August 14, 2008.

2 33 b. "Local government participant" means the cities of
2 34 Ames, Cedar Falls, Cedar Rapids, Council Bluffs, Davenport,
2 35 Des Moines, Dubuque, Iowa City, Waterloo, and West Des Moines;
3 1 a council of governments whose territory includes at least one
3 2 county that was declared a disaster area by the president of
3 3 the United States after May 24, 2008, and before August 14,
3 4 2008; and any county that is not part of any council of
3 5 governments and that was declared a disaster area by the
3 6 president of the United States after May 24, 2008, and before
3 7 August 14, 2008.

3 8 Sec. 2. APPROPRIATION. There is appropriated from the
3 9 Iowa economic emergency fund created in section 8.55 to the
3 10 Iowa finance authority for the fiscal year beginning July 1,
3 11 2008, and ending June 30, 2009, the following amount, or so
3 12 much thereof as is necessary, to be used for the purposes
3 13 designated:

3 14 For the jumpstart housing assistance program:
3 15 \$ 24,000,000

3 16 Notwithstanding section 8.33 and section 8.55, subsection
3 17 3, paragraph "a", moneys appropriated in this section that
3 18 remain unencumbered or unobligated at the close of the fiscal
3 19 year shall not revert but shall remain available for
3 20 expenditure for the purposes designated until the close of the
3 21 succeeding fiscal year.

3 22 Sec. 3. EMERGENCY RULES. The authority may adopt
3 23 emergency rules under section 17A.4, subsection 3, and section
3 24 17A.5, subsection 2, paragraph "b", to implement the
3 25 provisions of this division of this Act and the rules shall be
3 26 effective immediately upon filing unless a later date is
3 27 specified in the rules. Any rules adopted in accordance with
3 28 this section shall also be published as a notice of intended
3 29 action as provided in section 17A.4.

3 30 Sec. 4. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.
3 31 This division of this Act, being deemed of immediate
3 32 importance, takes effect upon enactment and applies
3 33 retroactively to September 1, 2008, and is applicable on and
3 34 after that date.

3 35 DIVISION II

4 1 DISASTER AID INDIVIDUAL ASSISTANCE GRANTS

4 2 Sec. 5. DISASTER AID INDIVIDUAL ASSISTANCE GRANTS ==
4 3 APPROPRIATION.

4 4 1. There is appropriated from the Iowa economic emergency
4 5 fund created in section 8.55 to the department of human
4 6 services for the fiscal year beginning July 1, 2008, and
4 7 ending June 30, 2009, the following amount, or so much thereof
4 8 as is necessary, to be used for the purposes designated:

4 9 For providing disaster aid individual assistance grants
4 10 pursuant to the requirements in this section:
4 11 \$ 10,000,000

4 12 2. The grant funds shall be administered by the department
4 13 of human services under the Iowa disaster aid individual
4 14 assistance grant program created under section 29C.20A.
4 15 Notwithstanding contrary provisions of section 29C.20A and
4 16 rules adopted to administer the program, a grant recipient
4 17 shall not receive more than two thousand five hundred dollars
4 18 per household, a grant recipient shall have an annual
4 19 household income that is less than three hundred percent of
4 20 the federal poverty level based on the number of people in the
4 21 recipient's household as defined by the most recently revised
4 22 poverty income guidelines published by the United States
4 23 department of health and human services, and a recipient's
4 24 eligible expenses may include mental health expenses.

4 25 3. Notwithstanding contrary provisions of section 29C.20A,
4 26 the department shall not be reimbursed using moneys

4 27 appropriated under this section for administrative costs
4 28 associated with administering the grants awarded from moneys
4 29 appropriated under this section.

4 30 4. Notwithstanding contrary provisions of section 29C.20A,
4 31 grants may be awarded to recipients located in an area for
4 32 which the president of the United States declared a disaster
4 33 to exist any time during 2008 or for which the governor
4 34 proclaimed a state of disaster emergency pursuant to section
4 35 29C.6.

5 1 5. Notwithstanding section 8.33 and section 8.55,
5 2 subsection 3, paragraph "a", moneys appropriated in this
5 3 section that remain unencumbered or unobligated at the close
5 4 of the fiscal year shall not revert but shall remain available
5 5 for expenditure for the purposes designated until the close of
5 6 the succeeding fiscal year.

5 7 Sec. 6. EFFECTIVE DATE. This division of the Act, being
5 8 deemed of immediate importance, takes effect upon enactment.

5 9 DIVISION III

5 10 COMMUNITY DISASTER GRANTS

5 11 Sec. 7. COMMUNITY DISASTER GRANTS == APPROPRIATION.

5 12 1. There is appropriated from the Iowa economic emergency
5 13 fund created in section 8.55 to the department of management
5 14 for the fiscal year beginning July 1, 2008, and ending June
5 15 30, 2009, the following amount, or so much thereof as is
5 16 necessary, to be used for the purposes designated:

5 17 For community disaster grants to cities and counties:

5 18 \$ 22,000,000

5 19 2. a. The department of management shall divide the
5 20 moneys appropriated under this section and award grants to
5 21 cities and counties based on their pro rata share of the total
5 22 statewide damage costs associated with natural disasters
5 23 occurring after May 24, 2008, and before August 14, 2008, as
5 24 calculated by the federal emergency management agency as of
5 25 January 1, 2009.

5 26 b. Moneys awarded under this section shall be used by the
5 27 recipient for any of the following purposes:

- 5 28 (1) Small business assistance.
- 5 29 (2) Nonprofit organization assistance.
- 5 30 (3) Assistance for the public purchase of land and
5 31 accompanying structures if financial assistance for such
5 32 purchases is not available from the federal emergency
5 33 management agency.
- 5 34 (4) Assistance for the replacement or rehabilitation of
5 35 housing.

6 1 (5) Assistance for the repair or replacement of public
6 2 infrastructure.

6 3 (6) Assistance for increased costs associated with the
6 4 revaluation and assessment of property due to a natural
6 5 disaster occurring in 2008.

6 6 3. The department of management and grant recipients shall
6 7 not use any moneys appropriated under this section for
6 8 purposes of reimbursement for administrative costs.

6 9 4. By January 1, 2010, each grant recipient under this
6 10 section shall submit a written report to the department of
6 11 management specifying the allocation and uses of moneys
6 12 received pursuant to this section. By January 8, 2010, the
6 13 department of management shall forward copies of all reports
6 14 received to the governor and the general assembly.

6 15 5. Notwithstanding section 8.33 and section 8.55,
6 16 subsection 3, paragraph "a", moneys appropriated in this
6 17 section that remain unencumbered or unobligated at the close
6 18 of the fiscal year shall not revert but shall remain available
6 19 for expenditure for the purposes designated until the close of
6 20 the succeeding fiscal year.

6 21 Sec. 8. EFFECTIVE DATE. This division of the Act, being
6 22 deemed of immediate importance, takes effect upon enactment.

6 23 EXPLANATION

6 24 This bill relates to disaster assistance by providing a
6 25 jumpstart housing assistance program, disaster aid individual
6 26 assistance grants, and community disaster grants, and making
6 27 appropriations.

6 28 DIVISION I. This division of the bill requires the Iowa
6 29 finance authority to establish and administer a jumpstart
6 30 housing assistance program to provide grants to local
6 31 government participants for purposes of distributing the
6 32 moneys to eligible residents for eligible purposes which
6 33 relate to disaster-affected homes. An eligible resident is a
6 34 person residing in a disaster-affected home who is the owner
6 35 of record of a right, title, or interest in the
7 1 disaster-affected home and who either has been approved by the
7 2 federal emergency management agency for housing assistance or

7 3 meets certain income requirements. A disaster-affected home
7 4 is a dwelling that was destroyed or damaged due to a natural
7 5 disaster occurring after May 24, 2008, and before August 14,
7 6 2008. Eligible purposes include forgivable loans for down
7 7 payment assistance and housing repair or rehabilitation and
7 8 forgivable loans for interim mortgage assistance. The bill
7 9 prioritizes eligible residents for the receipt of forgivable
7 10 loans.

7 11 The division appropriates from the Iowa economic emergency
7 12 fund to the Iowa finance authority for FY 2008=2009 \$24
7 13 million for the jumpstart housing assistance program.

7 14 The division allows the authority to adopt emergency rules
7 15 to implement the division's provisions.

7 16 The division takes effect upon enactment and applies
7 17 retroactively to September 1, 2008.

7 18 DIVISION II. This division of the bill appropriates from
7 19 the Iowa economic emergency fund to the department of human
7 20 services for FY 2008=2009 \$10 million for providing disaster
7 21 aid individual assistance grants. The grant funds shall be
7 22 administered by the department of human services under the
7 23 Iowa disaster aid individual assistance grant program. The
7 24 division provides that notwithstanding contrary provisions of
7 25 Code section 29C.20A and rules adopted to administer the
7 26 program, a grant recipient shall not receive more than \$2,500
7 27 per household, shall have an annual household income that is
7 28 less than 300 percent of the federal poverty level, and
7 29 eligible expenses may include mental health expenses. The
7 30 division provides that, notwithstanding contrary provisions of
7 31 Code section 29C.20A, the department shall not be reimbursed
7 32 for administrative costs using the moneys appropriated. The
7 33 division provides that, notwithstanding contrary provisions of
7 34 Code section 29C.20A, grants may be awarded to recipients
7 35 located in an area for which the president of the United
8 1 States declared a disaster to exist any time during 2008 or
8 2 for which the governor proclaimed a state of disaster
8 3 emergency.

8 4 The division takes effect upon enactment.

8 5 DIVISION III. This division of the bill appropriates from
8 6 the Iowa economic emergency fund to the department of
8 7 management for FY 2008=2009 \$22 million for community disaster
8 8 grants to cities and counties. The division requires the
8 9 department of management to divide the appropriated moneys and
8 10 award grants to cities and counties based on their pro rata
8 11 share of the total statewide damage costs associated with
8 12 natural disasters occurring after May 24, 2008, and before
8 13 August 14, 2008, as calculated by the federal emergency
8 14 management agency as of January 1, 2009. The division
8 15 requires moneys awarded to be used by the recipient for small
8 16 business assistance, nonprofit organization assistance,
8 17 assistance for the public purchase of land and accompanying
8 18 structures if financial assistance for such purchases is not
8 19 available from the federal emergency management agency,
8 20 assistance for the replacement or rehabilitation of housing,
8 21 assistance for the repair or replacement of public
8 22 infrastructure, and assistance for increased costs associated
8 23 with the revaluation and reassessment of property due to a
8 24 natural disaster occurring in 2008. The division prohibits
8 25 the use of appropriated moneys for administrative costs and
8 26 provides reporting requirements.

8 27 The division takes effect upon enactment.

8 28 LSB 1877HC 83

8 29 tm/rj/5