

Senate File 502 - Introduced

SENATE FILE 502

BY CHELGREN

A BILL FOR

1 An Act prohibiting loans, forgivable loans, and any other type
2 of extension of credit from a state or local governmental
3 entity.

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

1 Section 1. NEW SECTION. 23.2 Loans prohibited.

2 A state or local governmental entity shall not provide
3 loans, forgivable loans, or any other type of extension of
4 credit to a person.

5 Sec. 2. CONFORMING AMENDMENTS. By November 18, 2011, the
6 department of management shall submit a report to the general
7 assembly identifying all changes in the Code that are necessary
8 due to the enactment of this Act. The report shall include the
9 necessary changes in the form of a proposed legislative bill.

10 EXPLANATION

11 This bill relates to loans, forgivable loans, and any other
12 type of extension of credit from a state or local governmental
13 entity.

14 The bill prohibits a state or local governmental entity
15 from providing loans, forgivable loans, or any other type of
16 extension of credit to a person.

17 By November 18, 2011, the department of management is
18 required to submit a report to the general assembly identifying
19 all changes in the Code that are necessary due to the enactment
20 of this bill.