

**Senate File 2257 - Introduced**

SENATE FILE 2257  
BY COMMITTEE ON ECONOMIC  
GROWTH

(SUCCESSOR TO SSB 3153)

(COMPANION TO 5227HV BY  
COMMITTEE ON COMMERCE)

**A BILL FOR**

1 An Act concerning the issuance of bonds authorized by the Iowa  
2 finance authority relating to projects and bond issuers  
3 regardless of location.

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

1 Section 1. Section 16.1, subsection 32, paragraph a, Code  
2 2016, is amended to read as follows:

3 a. Real or personal property connected with a facility to  
4 be acquired, constructed, financed, refinanced, improved, or  
5 equipped pursuant to one or more of the programs, including any  
6 such property located outside of the state if the authority  
7 has conclusively determined that the entity financing or  
8 refinancing property located outside the state, or an affiliate  
9 of such entity, is also engaged in the financing or refinancing  
10 of property located within the state, or, alternatively, the  
11 entity seeking the financing or refinancing, or an affiliate of  
12 such entity, maintains a presence within the state.

13 Sec. 2. Section 16.5, subsection 1, paragraph a, Code 2016,  
14 is amended to read as follows:

15 a. Issue its negotiable bonds and notes as provided in  
16 this chapter in order to finance its programs. In addition,  
17 the authority may issue bonds, notes, or other obligations for  
18 public or private entities for the purpose of financing any  
19 project regardless of location.

20 Sec. 3. Section 16.26, Code 2016, is amended by adding the  
21 following new subsection:

22 NEW SUBSECTION. 10. In connection with any financing  
23 which involves an out-of-state issuer issuing bonds, notes,  
24 or other obligations for facilities located in the state, the  
25 authority is designated as the only governmental unit in the  
26 state that may conduct the public hearing required by section  
27 147(f) of the federal Internal Revenue Code, as defined in  
28 section 422.3, and the governor of Iowa is designated as the  
29 applicable elected representative pursuant to section 147(f) of  
30 the federal Internal Revenue Code, as defined in section 422.3.

31 EXPLANATION

32 The inclusion of this explanation does not constitute agreement with  
33 the explanation's substance by the members of the general assembly.

34 This bill concerns the Iowa finance authority.  
35 Code section 16.1(32)(a), defining "project" for purposes

1 of the Iowa finance authority programs, is amended to include  
2 projects for property located outside of the state if the  
3 entity seeking the financing of the project has some connection  
4 to the state.

5 Code section 16.5, describing the general powers of the Iowa  
6 finance authority, is amended to provide that the Iowa finance  
7 authority can issue bonds, notes, or other obligations for  
8 public or private entities for the purpose of financing any  
9 project regardless of location.

10 Code section 16.26, concerning bonds and notes, is amended  
11 to provide that for an out-of-state issuer issuing certain  
12 bonds, notes, or other obligations, the authority is designated  
13 as the governmental unit that may conduct the public hearing  
14 required by the federal Internal Revenue Code and the governor  
15 of Iowa is designated as the applicable elected representative  
16 pursuant to the Internal Revenue Code.