

Abandoned Schools Demolition Fund and Grant Program Bill House File 706

Last Action:
**House Appropriations
Committee**
April 5, 2023

Executive Summary Only

**An Act creating a Vacant School Building Demolition Grant Program and Fund
and including contingent effective date provisions.**

**Fiscal Services Division
Legislative Services Agency**

NOTES ON BILLS AND AMENDMENTS (NOBA)

Available online at www.legis.iowa.gov/publications/information/appropriationBillAnalysis

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NEW PROGRAMS, SERVICES, OR ACTIVITIES

Creates the Vacant School Building Demolition Grant Fund under the control of the Iowa Economic Development Authority (IEDA). Page 1, Line 3

Requires the IEDA to use a competitive scoring process to select grant recipients and prioritize applicants from political subdivisions with the smallest populations. Grant recipients must meet the following criteria: Page 1, Line 31

- The eligible building is located in a city or township with a population of less than 2,500.
- The applicant is a county that is among the 88 lowest-populated counties in the State or is a political subdivision located in one of those counties.

FUNDING FOR PROJECTS AND PROGRAMS

Appropriates moneys in the Fund to the IEDA for a Vacant School Building Demolition Grant Program. Specifies that vacant school buildings must be owned, or in the process of being acquired, by a political subdivision of the State and must have become vacant before January 1, 2021. Page 1, Line 8

Specifies that interest or earnings on moneys in the Fund are to be credited to the Fund. Moneys in the Fund do not revert to the source of the moneys in the Fund at the close of a fiscal year. However, if the IEDA receives no qualifying applications for three consecutive years, moneys in the Fund are to be transferred to the Rebuild Iowa Infrastructure Fund (RIIF). Page 1, Line 17

Allows the IEDA to use up to 5.0% of moneys in the Fund at the beginning of the fiscal year for administrative costs, finance, compliance, marketing, and Program support. Page 1, Line 27

Requires the net proceeds from the sale of the property after demolition to be deposited in the Fund. Page 2, Line 17

STUDIES AND INTENT

Requires the IEDA to coordinate with the political subdivision to develop a plan for the use of grant funds and to ensure that future use of the property is consistent with the property's surroundings. Page 2, Line 7

Requires the IEDA to submit an annual report on or before January 31 including the results of the Program and recommendations for Program changes to the General Assembly and the Governor's Office. Page 2, Line 25

EFFECTIVE DATE

EXECUTIVE SUMMARY

ABANDONED SCHOOLS DEMOLITION FUND AND GRANT PROGRAM BILL

The Bill is effective July 1, 2023, if moneys are appropriated to the Fund for FY 2024.