SENATE FILE 2387
BY COMMITTEE ON STATE
GOVERNMENT

(SUCCESSOR TO SSB 3118)

(COMPANION TO HF 2536 BY
COMMITTEE ON STATE GOVERNMENT)

(As Amended and Passed by the Senate March 18, 2024)

_____ and [= New Language by the Senate

A BILL FOR

An Act relating to the duties of the Iowa finance authority.

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

Section 1. NEW SECTION. 16.5E Application or award — prohibition.

1. The authority may prohibit a person from receiving an award of financial assistance, or from being selected as a vendor to provide goods or services to the authority in any of the following circumstances:

a. An act or omission by the person seriously affects or threatens public health, public safety, or the environment.

b. The person is charged with or convicted of a crime involving dishonesty.

c. An act or omission by the person indicates a lack of integrity or honesty.

d. The person violates the terms of an agreement or transaction that detrimentally impacts the integrity of a program administered by the authority, or other governmental entity as defined in section 8A.101.

e. A compelling cause exists that is relevant to and affects the person's obligations under the programs administered by the authority, or is relevant to and affects the provision of goods and services to the authority by a vendor.

2. Upon a determination by the authority, a person shall be prohibited from receiving an award of financial assistance, or from being selected as a vendor pursuant to subsection 1. The authority shall provide written notice to the prohibited person stating the reason for the prohibition. The authority may immediately disqualify a prohibited person from receiving financial assistance, or from being selected as a vendor.

3. A prohibited person may request a review of the determination made by the authority pursuant to subsection 2.

a. The request to review the determination shall be made within thirty-five calendar days of the date the authority provided written notice to the prohibited person. The request to review the determination must be in writing and state the specific reasons or legal basis for review.

b. Within sixty calendar days of the receipt of the request

to review, the authority shall approve, deny, or modify the determination, if the authority finds that the determination is based on a clear error of material fact or law, or if the authority finds the determination was arbitrary, capricious, or an abuse of discretion.

c. The authority shall issue its decision in writing and provide written notice of the decision to the prohibited person.

d. The decision of the authority pursuant to this subsection shall be considered final agency action. A petition for judicial review of the decision of the authority shall be filed pursuant to section 17A.19.

4. The authority shall adopt rules as necessary pursuant to chapter 17A to administer this section.

Sec. 2. Section 16.35, subsection 2, Code 2024, is amended by striking the subsection and inserting in lieu thereof the following:

2. The authority shall adopt a qualified allocation plan that satisfies the requirements of section 42 of the Internal Revenue Code. The authority may revise the qualified allocation plan provided the revision satisfies the requirements of section 42 of the Internal Revenue Code. When adopting the qualified allocation plan, the authority shall specify the selection criteria, the application procedure, and the allocation of low-income housing credits under the state housing credit ceiling. The selection criteria described in the qualified allocation plan shall include all of the following:

a. The selection criteria described in section 42 of the Internal Revenue Code.

b. The statutory preferences described in section 42 of the Internal Revenue Code.

c. The economic feasibility of the proposed project.

d. The ability of the applicant to complete the project in a timely manner.

Sec. 3. Section 16.35, subsection 3, Code 2024, is amended by striking the subsection.

Sec. 4. Section 16.154, subsection 1, Code 2024, is amended to read as follows:

1. An eligible entity may apply to the authority for financial assistance under the program by submitting a plan ~~that meets~~ on an application form as required by the authority. To be approved for an award of financial assistance, the plan must meet all of the following requirements:

a. The plan ~~includes~~ proposes one or more projects that improve water quality in the local area or watershed. Projects shall use practices identified in the Iowa nutrient reduction strategy.

b. The plan ~~describes in detail~~ describes the manner in which the projects will be financed and undertaken, including, as applicable, the sources of revenue directed to financing the improvements as well as the eligible entities that will be receiving the revenues and how such revenues will be spent on the projects.