

CHAPTER 1193

APPROPRIATIONS — ECONOMIC DEVELOPMENT

H.F. 2772

AN ACT relating to and making appropriations for the economic development of the state, including to the economic development authority, Iowa finance authority, department of workforce development, and state board of regents and certain regents institutions, and codifying the housing renewal program.

Be It Enacted by the General Assembly of the State of Iowa:

**DIVISION I
FY 2026-2027 APPROPRIATIONS**

Section 1. GOALS AND ACCOUNTABILITY — ECONOMIC DEVELOPMENT.

1. For the fiscal year beginning July 1, 2026, the goals for the economic development authority shall be to expand and stimulate the state economy, increase the wealth of Iowans, and increase the population of the state.

2. To achieve the goals in subsection 1, the economic development authority shall do all of the following for the fiscal year beginning July 1, 2026:

- a. Concentrate its efforts on programs and activities that result in commercially viable products and services.
- b. Adopt practices and services consistent with free market, private sector philosophies.
- c. Ensure economic growth and development throughout the state.
- d. Work with businesses and communities to continually improve the economic development climate along with the economic well-being and quality of life for Iowans.
- e. Establish a strong and aggressive marketing image to showcase Iowa’s workforce, existing industry, and potential. The authority shall prioritize recruitment of new businesses, business expansion, and retention of existing Iowa businesses. In addition, the authority shall emphasize entrepreneurial development through helping entrepreneurs secure capital, and developing networks and a business climate conducive to entrepreneurs and small businesses.
- f. Encourage the development of communities and quality of life to foster economic growth.
- g. Prepare communities for future growth and development through development, expansion, and modernization of infrastructure.
- h. Develop public-private partnerships with Iowa businesses in the tourism industry, Iowa tour groups, Iowa tourism organizations, and political subdivisions in this state to assist in the development of advertising efforts.

Sec. 2. ECONOMIC DEVELOPMENT AUTHORITY.

1. APPROPRIATION

a. There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated in this subsection, and for not more than the following full-time equivalent positions:

| | | |
|-------|------|------------|
| ..... | \$ | 12,903,510 |
| ..... | FTEs | 111.50 |

b. (1) For salaries, support, miscellaneous purposes, programs, marketing, administration, business development, community development, small business development, and any divisions the authority may organize.

(2) For business development operations and programs, international trade, export assistance, workforce recruitment, and the partner state program.

(3) For transfer to a fund created pursuant to section 15.313 for purposes of financing strategic infrastructure projects.

(4) For community economic development programs, tourism operations, community

assistance, and the community development block grant.

(5) For achieving the goals and accountability, and fulfilling the requirements and duties required under this Act.

(6) The full-time equivalent positions authorized under this subsection are funded, in whole or in part, by the moneys appropriated under this subsection or by other moneys received by the authority, including certain federal moneys.

c. Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated in this subsection until the close of the succeeding fiscal year.

2. FINANCIAL ASSISTANCE RESTRICTIONS

a. A business creating jobs through moneys appropriated in subsection 1 shall be subject to contract provisions requiring new and retained jobs to be filled by individuals who are citizens of the United States who reside within the United States, or individuals authorized to work in the United States pursuant to federal law, including legal resident aliens residing in the United States.

b. Any vendor who receives moneys appropriated in subsection 1 shall adhere to such contract provisions and provide periodic assurances as the state shall require that the jobs are filled solely by citizens of the United States who reside within the United States, or individuals authorized to work in the United States pursuant to federal law, including legal resident aliens residing in the United States.

c. A business that receives financial assistance from the authority from moneys appropriated in subsection 1 shall only employ individuals legally authorized to work in this state. In addition to all other applicable penalties provided by current law, all or a portion of the assistance received by a business which is found to knowingly employ individuals not legally authorized to work in this state is subject to recapture by the authority.

3. USES OF APPROPRIATIONS

a. From the moneys appropriated in subsection 1, the authority may provide financial assistance in the form of grants, loans, or forgivable loans for advanced research and commercialization projects involving value-added agriculture, advanced technology, or biotechnology.

b. The authority shall not use any moneys appropriated in subsection 1 for purposes of providing financial assistance for any program or project that involves the installation of geothermal systems for melting snow and ice from streets or sidewalks.

4. WORLD FOOD PRIZE

In lieu of the standing appropriation in section 15.368, there is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount to be used for support of the world food prize:

..... \$ 450,000

5. TOURISM OFFICE

a. There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the tourism office for the advertisement, promotion, placement, and implementation of the economic development authority's strategic plan for tourism and travel:

..... \$ 1,050,000

b. Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

c. The economic development authority shall submit an annual report on or before January 15 to the general assembly regarding the tourism office's activities funded with moneys appropriated under this subsection. The report must be provided in an electronic format and must include metrics and criteria that allow the general assembly to quantify and evaluate the effectiveness and economic impact of the tourism office's activities

related to the advertisement, promotion, placement, and implementation of the economic development authority’s strategic plan for tourism and travel.

6. CULTURAL AFFAIRS ACTIVITIES

a. There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for support of the Iowa arts council:

..... \$ 1,601,800

b. Of the moneys appropriated in paragraph “a”, the economic development authority shall allocate \$321,800 for deposit in the arts and culture enhancement fund established in section 15.436.

c. Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 3. LIMITATIONS OF STANDING APPROPRIATIONS — FY 2026-2027. Notwithstanding the standing appropriations in the following designated sections for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the amount appropriated from the general fund of the state pursuant to the following sections for the following purposes shall not exceed the following amounts:

1. For the arts and culture enhancement fund under section 99F.11, subsection 4, paragraph “d”, subparagraph (1):

..... \$ 448,403

2. For the purposes of tourism marketing under section 99F.11, subsection 4, paragraph “d”, subparagraph (2):

..... \$ 1,443,700

Sec. 4. FINANCIAL ASSISTANCE REPORTING — ECONOMIC DEVELOPMENT AUTHORITY. The economic development authority shall submit an annual report to the general assembly no later than November 1, 2026, that details the amount of every direct loan, forgivable loan, tax credit, tax exemption, tax refund, grant, or any other financial assistance awarded to a person during the prior fiscal year by the authority under an economic development program administered by the authority. The report must identify the county where the project associated with each such award is located.

Sec. 5. INSURANCE ECONOMIC DEVELOPMENT. From the moneys collected by the insurance division of the department of insurance and financial services in excess of the anticipated gross revenues under section 505.7, subsection 3, during the fiscal year beginning July 1, 2026, \$100,000 shall be transferred to the economic development authority for insurance economic development and international insurance economic development.

Sec. 6. IOWA FINANCE AUTHORITY.

1. There is appropriated from the general fund of the state to the Iowa finance authority for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. Rent subsidy program

(1) To provide reimbursement for rent expenses to eligible persons under the home and community-based services rent subsidy program established in section 16.55:

..... \$ 873,000

(2) Of the moneys appropriated in this paragraph, not more than \$35,000 may be used for administrative costs.

b. Housing renewal program

To provide housing renewal moneys to the nonprofit Iowa affiliate to award grants to eligible communities for the housing renewal program created in section 16.52, as enacted in Division II of this Act:

..... \$ 550,000

2. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 7. IOWA FINANCE AUTHORITY AUDIT. The auditor of state is requested to review the audit of the Iowa finance authority performed by the auditor hired by the authority.

Sec. 8. DEPARTMENT OF WORKFORCE DEVELOPMENT. There is appropriated from the general fund of the state to the department of workforce development for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. WORKFORCE DEVELOPMENT OPERATIONS

a. For the operation of field offices and the workforce development board, and for not more than the following full-time equivalent positions:

| | | |
|-------|------|-----------|
| ..... | \$ | 6,902,636 |
| ..... | FTEs | 157.09 |

b. Of the moneys appropriated in paragraph "a", the department shall allocate \$150,000 to the state library for the purpose of licensing an online resource which prepares individuals to succeed in the workplace through programs which improve job skills and vocational test-taking abilities.

2. OFFENDER REENTRY PROGRAM

a. For the development and administration of an offender reentry program to provide offenders with employment skills, and for not more than the following full-time equivalent positions:

| | | |
|-------|------|---------|
| ..... | \$ | 387,158 |
| ..... | FTEs | 4.00 |

b. The department of workforce development shall partner with the department of corrections to provide staff within the correctional facilities resources to improve offenders' abilities to find and retain productive employment.

3. STATE ACCOUNTING SYSTEM

For the payment of services provided by the department of administrative services related to the state accounting system:

| | | |
|-------|----|---------|
| | \$ | 228,822 |
|-------|----|---------|

4. WORKPLACE INJURY AND SAFETY SURVEYS

For the operation of workplace safety surveys and workplace data collection and analysis, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

| | | |
|-------|------|---------|
| ..... | \$ | 125,555 |
| ..... | FTEs | 1.90 |

5. VOCATIONAL REHABILITATION SERVICES DIVISION

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

| | | |
|-------|------|-----------|
| ..... | \$ | 6,226,739 |
| ..... | FTEs | 233.00 |

For purposes of optimizing the job placement of individuals with disabilities, the division shall make its best efforts to work with community rehabilitation program providers for job placement and retention services for individuals with significant disabilities and most significant disabilities. By January 15, 2027, the division shall submit a written report to the general assembly regarding the division's outreach efforts with community rehabilitation program providers.

b. For the entrepreneurs with disabilities program described in section 84H.4:

| | | |
|-------|----|---------|
| | \$ | 138,506 |
|-------|----|---------|

6. ADULT EDUCATION AND LITERACY PROGRAMS

For distribution as grants to community colleges for the purpose of adult basic education programs for students requiring instruction in English as a second language:

| | | |
|-------|----|---------|
| | \$ | 500,000 |
|-------|----|---------|

In issuing grants under this subsection, the department of workforce development shall use the same application process and criteria as are used for purposes of awarding grants to community colleges for the purpose of adult basic education programs for students requiring instruction in English as a second language using moneys that are appropriated to the department from the Iowa skilled worker and job creation fund created in section 8.57J.

7. REGISTERED APPRENTICESHIP PROGRAMS

For the funding of the registered apprenticeship programs under chapter 84F to encourage small to midsize businesses to start or grow registered apprenticeships:

..... \$ 760,000

8. REVERSION

Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 9. DEPARTMENT OF WORKFORCE DEVELOPMENT — SPECIAL EMPLOYMENT SECURITY CONTINGENCY FUND.

1. There is appropriated from the special employment security contingency fund created in section 96.13 to the department of workforce development for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for field offices:

..... \$ 4,616,084

2. Any remaining additional penalty and interest revenue collected by the department of workforce development is appropriated to the department for the fiscal year beginning July 1, 2026, and ending June 30, 2027, to accomplish the mission of the department.

Sec. 10. IOWA SKILLED WORKER AND JOB CREATION FUND.

1. There is appropriated from the Iowa skilled worker and job creation fund created in section 8.57J to the following departments, agencies, and institutions for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. ECONOMIC DEVELOPMENT AUTHORITY

(1) For providing financial assistance to eligible businesses for the business incentives for growth program pursuant to chapter 15, subchapter II, part 33:

..... \$ 11,700,000

(a) Of the moneys appropriated in this subparagraph (1), not more than \$1,000,000 may be used for purposes of providing infrastructure grants to main street communities under the main street Iowa program.

(b) As a condition of receiving moneys appropriated in this subparagraph (1), an entity shall testify upon the request of the joint appropriations subcommittee on economic development regarding the expenditure of such moneys.

(2) For support of the manufacturing 4.0 technology investment program established in section 15.371:

..... \$ 2,350,000

(3) For the empower rural Iowa program:

..... \$ 700,000

b. STATE BOARD OF REGENTS AND REGENTS INSTITUTIONS

(1) STATE BOARD OF REGENTS

For capacity building infrastructure in areas related to technology commercialization, marketing and business development efforts in areas related to technology commercialization, entrepreneurship, and business growth, and infrastructure projects and programs needed to assist in implementation of activities under chapter 262B:

..... \$ 3,000,000

(a) Of the moneys appropriated pursuant to this subparagraph (1), 35 percent shall be allocated for Iowa state university of science and technology, 35 percent shall be allocated for the state university of Iowa, and 30 percent shall be allocated for the university of northern Iowa.

(b) The institutions shall provide a one-to-one match of additional moneys for the activities funded with moneys appropriated under this subparagraph (1).

(c) The state board of regents shall submit a report by January 15, 2027, to the governor and the general assembly regarding the activities, projects, and programs funded with moneys appropriated under this subparagraph (1). The report must be provided in an electronic format and must include a list of metrics and criteria mutually agreed to in advance by the board of regents and the economic development authority. The metrics and criteria must allow the governor’s office and the general assembly to quantify and evaluate the progress of the board of regents institutions with regard to their activities, projects, and programs in the areas of technology commercialization, entrepreneurship, regional development, and market research.

(2) IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

For small business development centers, the research park, and the center for industrial research and service, and for not more than the following full-time equivalent positions:

| | | |
|-------|------|-----------|
| ..... | \$ | 2,424,302 |
| ..... | FTEs | 50.94 |

(a) Of the moneys appropriated in this subparagraph (2), Iowa state university of science and technology shall allocate at least \$735,728 for purposes of funding small business development centers. Iowa state university of science and technology may allocate the appropriated moneys to the various small business development centers in any manner necessary to achieve the purposes of this subparagraph (2).

(b) Iowa state university of science and technology shall do all of the following:

(i) Direct expenditures for research toward projects that will provide economic stimulus for Iowa.

(ii) Emphasize providing services to Iowa-based companies.

(c) It is the intent of the general assembly that the center for industrial research and service industrial incentive program focus on Iowa industrial sectors and seek contributions and in-kind donations from businesses, industrial foundations, and trade associations, and that moneys for the program shall be allocated only for projects which are matched by private sector moneys for directed contract research or for nondirected research. The match required of small businesses as defined in section 15.102 for directed contract research or for nondirected research shall be \$1 for each \$3 of state funds. The match required for other businesses for directed contract research or for nondirected research shall be \$1 for each \$1 of state funds. The match required of industrial foundations or trade associations shall be \$1 for each \$1 of state funds.

(d) Iowa state university of science and technology shall report annually to the general assembly the total amount of private contributions, the proportion of contributions from small businesses and other businesses, and the proportion for directed contract research and nondirected research of benefit to Iowa businesses and industrial sectors.

(3) STATE UNIVERSITY OF IOWA

(a) For the state university of Iowa research park and for university of Iowa pharmaceuticals located at the research park, including salaries, support, maintenance, equipment, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

| | | |
|-------|------|---------|
| ..... | \$ | 209,279 |
| ..... | FTEs | 6.00 |

The state university of Iowa shall do all of the following:

(i) Direct expenditures for research toward projects that will provide economic stimulus for Iowa.

(ii) Emphasize providing services to Iowa-based companies.

(b) For the purpose of implementing the entrepreneurship and economic growth initiative, and for not more than the following full-time equivalent positions:

| | | |
|-------|------|-----------|
| ..... | \$ | 2,000,000 |
| ..... | FTEs | 8.00 |

(4) UNIVERSITY OF NORTHERN IOWA

(a) For the metal casting and foundry 4.0 centers, advance Iowa, family business center, and the institute for decision making, including salaries, support, maintenance,

and miscellaneous purposes, and for not more than the following full-time equivalent positions:

| | | |
|-------|------|-----------|
| ..... | \$ | 1,466,419 |
| ..... | FTEs | 13.00 |

The university of northern Iowa shall do all of the following:

- (i) Direct expenditures for research toward projects that will provide economic stimulus for Iowa.
- (ii) Emphasize providing services to Iowa-based companies.

(b) For the purpose of providing in-state undergraduate tuition and undergraduate mandatory fees to individuals who reside in a state contiguous to Iowa, who enroll in an undergraduate program offered by the university of northern Iowa, and who are classified as residents of this state for purposes of undergraduate tuition and undergraduate mandatory fees:

| | | |
|-------|----|-----------|
| | \$ | 1,000,000 |
|-------|----|-----------|

(c) For the purpose of expanding the nursing program:

| | | |
|-------|----|---------|
| | \$ | 600,000 |
|-------|----|---------|

(5) DUTY TO TESTIFY

As a condition of receiving moneys appropriated in this lettered paragraph “b”, an entity shall testify upon the request of the joint appropriations subcommittee on economic development regarding the expenditure of such moneys.

c. DEPARTMENT OF WORKFORCE DEVELOPMENT

(1) For staffing costs related to completing workforce preparation outcome reporting in conjunction with the department of education:

| | | |
|-------|----|---------|
| | \$ | 125,000 |
|-------|----|---------|

(2) For distribution to community colleges for the purposes of implementing adult education and literacy programs pursuant to section 84A.19:

| | | |
|-------|----|-----------|
| | \$ | 4,500,000 |
|-------|----|-----------|

(a) From the moneys appropriated in this numbered subparagraph, \$3,125,000 shall be allocated pursuant to the formula established in section 260C.18C.

(b) From the moneys appropriated in this numbered subparagraph, not more than \$150,000 shall be used by the department of workforce development for implementation of adult education and literacy programs pursuant to section 84A.19.

(c) From the moneys appropriated in this numbered subparagraph, not more than \$1,015,000 shall be distributed as grants to community colleges for the purpose of adult basic education programs for students requiring instruction in English as a second language. The department of workforce development shall establish an application process and criteria to award grants pursuant to this subparagraph division to community colleges. The criteria must be based on need for instruction in English as a second language in the region served by each community college as determined by factors including data from the latest federal decennial census and outreach efforts to determine regional needs.

(d) From the moneys appropriated in this numbered subparagraph, \$210,000 shall be transferred to the department of health and human services for purposes of administering a program to provide access to international resources to Iowans and new Iowans to provide economic and leadership development resulting in Iowa being a more welcoming place to live, work, and raise a family. The program must provide supplemental support services for international refugees to improve learning, English literacy, life skills, cultural competencies, and integration in a county with a population over 350,000 as determined by the 2020 federal decennial census. The department of health and human services shall utilize a request-for-proposals process to identify the entity best qualified to implement the program.

2. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 11. GENERAL FUND — CERTAIN REGENTS INSTITUTIONS.

1. There is appropriated from the general fund of the state to the following institutions

for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

In cooperation with the economic development authority, for support of a biosciences innovation ecosystem, to strengthen Iowa’s leadership positions in the area of bio-based chemicals, digital agriculture, vaccines, and medical devices, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

| | | |
|-------|------|-----------|
| ..... | \$ | 2,963,995 |
| ..... | FTEs | 14.81 |

b. STATE UNIVERSITY OF IOWA

In cooperation with the economic development authority, for support of a biosciences innovation ecosystem, to strengthen Iowa’s leadership positions in the area of bio-based chemicals, digital agriculture, vaccines, and medical devices, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

| | | |
|-------|------|-----------|
| ..... | \$ | 1,000,000 |
| ..... | FTEs | 4.35 |

c. UNIVERSITY OF NORTHERN IOWA

For equipment and technology to expand the university’s additive manufacturing capabilities related to investment castings technology and industry support, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

| | | |
|-------|------|---------|
| ..... | \$ | 394,321 |
| ..... | FTEs | 2.73 |

The university of northern Iowa shall make a good-faith effort to coordinate with private entities to seek moneys to supplement this appropriation to support the expansion of the university’s additive manufacturing capabilities.

2. Notwithstanding section 8.33, moneys appropriated in subsection 1, paragraphs “a” and “b”, that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

DIVISION II
HOUSING RENEWAL PROGRAM

Sec. 12. **NEW SECTION. 16.52 Housing renewal program.**

1. For purposes of this section:

a. “Eligible participant” includes cities, counties, consortiums of local governments, and organizations exempt from taxation pursuant to section 501(c)(3) of the Internal Revenue Code.

b. “Nonprofit Iowa affiliate” means a nonprofit Iowa affiliate of a nonprofit international organization whose primary activity is the promotion of the construction, remodeling, or rehabilitation of one-family or two-family dwellings for use by low-income families.

2. a. A housing renewal program fund is created in the state treasury under the control of the authority. The fund shall consist of moneys appropriated to or deposited in the fund. Moneys in the fund are appropriated to the authority to administer the housing renewal program.

b. Notwithstanding section 8.33, moneys appropriated to the housing renewal program fund that remain unencumbered or unobligated at the close of a fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

c. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the housing renewal program fund shall be credited to the fund. Payment of interest, income generated from the sale of an ownership unit pursuant to subsection 6, recaptures of financial assistance awards, and other repayments under the housing renewal program shall be retained by the nonprofit Iowa affiliate for the purpose of awarding financial assistance under the housing renewal program to eligible participants.

3. a. The authority shall provide moneys from the housing renewal program fund to a nonprofit Iowa affiliate that shall use the moneys to award financial assistance under the housing renewal program to eligible participants.

b. Eligible participants shall use financial assistance awarded under the housing renewal program only for purposes of the acquisition, rehabilitation, and resale of ownership units; the acquisition and demolition of blighted structures; and the redevelopment of ownership units.

4. Twenty-five percent of moneys appropriated to the housing renewal program fund shall be allocated to financial assistance awards for eligible participants located in the eighty-eight least populated counties in the state according to the most recent federal decennial census.

5. a. The nonprofit Iowa affiliate shall determine the criteria used to evaluate eligible participants and to award financial assistance to eligible participants selected by the nonprofit Iowa affiliate.

b. The nonprofit Iowa affiliate shall not award an eligible participant more than one hundred thousand dollars per ownership unit. The nonprofit Iowa affiliate may use up to five percent of the financial assistance awarded to an eligible participant for administrative expenses related to the housing renewal program.

c. (1) An eligible participant shall have a maximum of thirty-six months from the date a contract is executed between the nonprofit Iowa affiliate and the eligible participant for the eligible participant to complete the eligible participant's project. The eligible participant's project shall be considered complete when all financial assistance awarded to the eligible participant has been expended, and all ownership units that are covered by the contract are finished and available for sale.

(2) Unless the nonprofit Iowa affiliate authorizes additional time for good cause shown, if an eligible participant has no project activity within twelve months from the date a contract is executed between the nonprofit Iowa affiliate and the eligible participant, the financial assistance award shall be returned to the nonprofit Iowa affiliate to be used to award financial assistance under the housing renewal program to eligible participants.

d. An eligible participant shall sell each completed ownership unit to a homebuyer whose household income is equal to or less than the one hundred twenty percent area median income and who must occupy the ownership unit as the homebuyer's primary residence. The deed to the ownership unit must contain a restrictive resale requirement that prohibits the homebuyer or a subsequent owner from selling the ownership unit to a person with a household income above the one hundred twenty percent area median income for five calendar years from the date the eligible participant sold the ownership unit to the first homebuyer whose household income is equal to or less than the one hundred twenty percent area median income.

6. The nonprofit Iowa affiliate shall use income generated from the sale of an ownership unit only for the purpose of awarding financial assistance to eligible participants under the housing renewal program.

7. The authority shall not use more than five percent of moneys appropriated to the housing renewal program fund for administration and oversight of the housing renewal program.

8. The authority, in coordination with the nonprofit Iowa affiliate, shall submit an annual report to the general assembly on or before December 31 describing the community, economic, and financial impact of the housing renewal program.

Sec. 13. REPEAL. 2022 Iowa Acts, chapter 1148, section 20, as amended by 2023 Iowa Acts, chapter 110, section 18, and 2025 Iowa Acts, chapter 155, section 14, is repealed.

Approved June 2, 2026