

CHAPTER 16
IOWA FINANCE AUTHORITY

Referred to in §12.28, 12.30, 12B.10, 12B.10A, 12B.10B, 12B.10C, 34A.20, 159.18, 257C.7, 260C.71, 403A.3, 533.315, 535.8, 535A.9, 714.8

This chapter not enacted as a part of this title; transferred from chapter 220 in Code 1993
Duties with respect to Iowa advance funding authority, see §257C.7

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## SUBCHAPTER I

## GENERAL DEFINITIONS

**16.1 Definitions.**

As used in [this chapter](#), unless the context otherwise requires:

1. “*Adequate housing*” means housing which meets minimum structural, heating, lighting, ventilation, sanitary, occupancy, and maintenance standards compatible with applicable building and housing codes, as determined under rules of the authority.
2. “*Authority*” means the Iowa finance authority created in [section 16.1A](#).
3. “*Board*” means the Iowa finance authority board of directors created pursuant to [section 16.2](#).
4. “*Bond*” means a bond issued by the authority pursuant to [this chapter](#) and includes a note or other instrument evidencing a debt authorized or referred to in [this chapter](#).
5. “*Child foster care facilities*” means the same as defined in [section 237.1](#).
6. “*Depreciable property*” means personal property for which an income tax deduction for

depreciation is allowable in computing federal income tax under the Internal Revenue Code as defined in [section 422.3](#).

7. “Displaced” means displaced by governmental action, or by having one’s dwelling extensively damaged or destroyed as a result of a disaster.

8. “Elderly families” means families of low or moderate income where the head of the household or the head’s spouse is at least sixty-two years of age or older, or the surviving member of any such tenant family.

9. “Executive director” means the executive director of the Iowa finance authority as appointed pursuant to [section 16.6](#).

10. a. “Families” includes but is not limited to families consisting of a single adult person who is primarily responsible for the person’s own support, is at least sixty-two years of age, is a person with a disability, is displaced, or is the remaining member of a tenant family.

b. “Families” includes but is not limited to two or more persons living together who are at least sixty-two years of age, are persons with disabilities, or one or more such individuals living with another person who is essential to such individual’s care or well-being.

11. “Goals” means legislative goals and policies as articulated in [this chapter](#).

12. “Guiding principles” means the principles provided in [subchapter III](#) which shall be considered for amplification and interpretation of the goals of the authority.

13. “Historic properties” means landmarks, landmark sites, or districts which are significant in the history, architecture, archaeology, or culture of this state, its communities, or the nation.

14. “Housing” means single family and multifamily dwellings, and facilities incidental or appurtenant to the dwellings, and includes group homes of fifteen beds or less licensed as health care facilities or child foster care facilities and modular or mobile homes which are permanently affixed to a foundation and are assessed as realty.

15. “Housing program” means any work or undertaking of new construction or rehabilitation of one or more housing units, or the acquisition of existing residential structures, for the provision of housing, which is financed pursuant to the provisions of [this chapter](#) for the primary purpose of providing housing for low or moderate income families. A housing program may include housing for other economic groups as part of an overall plan to develop new or rehabilitated communities or neighborhoods, where housing low or moderate income families is a primary goal. A housing program may include any buildings, land, equipment, facilities, or other real or personal property which is necessary or convenient in connection with the provision of housing, including but not limited to streets, sewers, utilities, parks, site preparation, landscaping, and other nonhousing facilities, such as administrative, community, health, recreational, educational, and commercial facilities, as the authority determines to be necessary or convenient in relation to the purposes of [this chapter](#).

16. “Housing sponsor” means any individual, joint venture, partnership, limited partnership, trust, corporation, housing cooperative, local public entity, governmental unit, or other legal entity, or any combination thereof, approved by the authority or pursuant to standards adopted by the authority as qualified to either own, construct, acquire, rehabilitate, operate, manage, or maintain a housing program, whether for profit, nonprofit or limited profit, subject to the regulatory powers of the authority and other terms and conditions set forth in [this chapter](#).

17. “Income” means income from all sources of each member of the household, with appropriate exceptions and exemptions reasonably related to an equitable determination of the family’s available income, as established by rule of the authority.

18. “Internal Revenue Code” means the Internal Revenue Code of the United States as it may exist at the time of its applicability to the provisions of [this chapter](#).

19. “Iowa nutrient reduction strategy” means the same as defined in [section 455B.171](#).

20. “Legislative findings” or “findings” means the findings established by the general assembly with respect to the authority as provided in [this chapter](#).

21. a. “Lending institution” means any bank, trust company, mortgage company, national banking association, federal savings association, or life insurance company; any state or

federal governmental agency or instrumentality; the federal land bank or any of its local associations; or any other institution authorized to make loans in this state.

b. “*Lending institution*” includes a financial institution as defined in [section 496B.2](#), which lends moneys for farming purposes as provided in [subchapter VIII](#), or for industrial or business purposes.

22. “*Lower income families*” means families whose incomes do not exceed eighty percent of the median income for the area with adjustments for the size of the family or other adjustments necessary due to unusual prevailing conditions in the area, and includes but is not limited to very low income families.

23. “*Low income housing credit*” means the low income housing credit as defined in Internal Revenue Code §42(a).

24. “*Low or moderate income families*” means families who cannot afford to pay enough to cause private enterprise in their locality to build an adequate supply of decent, safe, and sanitary dwellings for their use, and also includes but is not limited to the following:

a. Elderly families, families in which one or more persons are persons with disabilities, lower income families, and very low income families.

b. Families purchasing or renting qualified residential housing.

25. “*Mortgage*” means a mortgage, mortgage deed, deed of trust, or other instrument creating a first lien, subject only to title exceptions acceptable to the authority, on a fee interest in real property which includes completed housing located within this state, or on a leasehold on such a fee interest which has a remaining term at the time of computation that exceeds by not less than ten years the maturity date of the mortgage loan.

26. “*Mortgage-backed security*” means a security issued by the authority which is secured by residential mortgage loans owned by the authority.

27. “*Mortgage loan*” means a financial obligation secured by a mortgage.

28. “*Net worth*” means a person’s total assets minus total liabilities as determined in accordance with generally accepted accounting principles with appropriate exceptions and exemptions reasonably related to an equitable determination of a person’s net worth. Assets shall be valued at fair market value.

29. “*Note*” means a bond anticipation note or a housing development fund note issued by the authority pursuant to [this chapter](#). “*Note*” also includes bonds.

30. “*Person with a disability*” means a person who is unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment, or a person having a physical or mental impairment which is expected to be of long-continued and indefinite duration, substantially impedes the ability to live independently, and is of a nature that the ability to live independently could be improved by more suitable housing conditions.

31. “*Powers*” means all of the general and specific powers of the authority as provided in [this chapter](#) which shall be broadly and liberally interpreted to authorize the authority to act in accordance with the goals of the authority and in a manner consistent with the legislative findings and guiding principles.

32. “*Program*” means any program administered by the authority or any program in which the authority is directed or authorized to participate pursuant to any statute, executive order, or interagency agreement, or any other program participation or administration of which the authority finds useful and convenient to further the goals and purposes of the authority.

33. “*Project*” means any of the following:

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

b. Refunds, loans, refinancings, grants, or other assistance or programs which the authority finds useful and convenient to carry out and further the goals of the authority and the Iowa economic development bond program. In furtherance thereof and not in limitation, “*project*” shall include projects for which bonds or notes may be issued by a city or a county

pursuant to any power so long as the authority finds it is consistent with the goals and legislative findings of the authority and the Iowa economic development bond program.

c. Any project for which tax exempt financing is authorized by the Internal Revenue Code, together with any taxable financing necessary or desirable in connection with such project, which the authority finds furthers the goals of the authority and is consistent with the legislative findings.

34. “*Property improvement loan*” means a financial obligation secured by collateral acceptable to the authority, the proceeds of which shall be used for improvement or rehabilitation of housing which is deemed by the authority to be substandard in its protective coatings or its structural, plumbing, heating, cooling, or electrical systems; and regardless of the condition of the property, the term “*property improvement loan*” may include loans to increase the energy efficiency of housing or to finance solar or other renewable energy systems for use in that housing.

35. “*Qualified residential housing*” means any of the following:

a. Owner-occupied residences purchased in a manner which satisfies the requirements contained in section 103A of the Internal Revenue Code in order to be financed with tax exempt mortgage subsidy bonds.

b. Residential property qualifying pursuant to section 103(b)(4) of the Internal Revenue Code to be financed with tax exempt residential rental property bonds.

c. Housing for low or moderate income families, elderly families, and families which include one or more persons with disabilities.

36. “*Secured loan*” means a financial obligation secured by a chattel mortgage, security agreement, or other instrument creating a lien on an interest in depreciable property.

37. “*State agency*” means any board, commission, department, public officer, or other agency of the state of Iowa.

38. “*Very low income families*” means families whose incomes do not exceed fifty percent of the median income for the area, with adjustments for the size of the family or other adjustments necessary due to unusual prevailing conditions in the area.

[C77, 79, 81, §220.1; 81 Acts, ch 76, §1; 82 Acts, ch 1173, §1, 2, ch 1187, §1 – 3]

83 Acts, ch 124, §1, 2; 84 Acts, ch 1281, §1 – 5; 85 Acts, ch 225, §1; 85 Acts, ch 252, §24, 25; 86 Acts, ch 1212, §1; 86 Acts, ch 1245, §840; 87 Acts, ch 125, §1, 2; 87 Acts, ch 141, §1

C93, §16.1

96 Acts, ch 1129, §5 – 8; 2007 Acts, ch 54, §2 – 10; 2009 Acts, ch 43, §1; 2009 Acts, ch 133, §8; 2012 Acts, ch 1017, §40; 2013 Acts, ch 100, §1, 17, 21, 27; 2014 Acts, ch 1012, §1; 2014 Acts, ch 1026, §8; 2014 Acts, ch 1080, §1 – 4, 78, 116, 125; 2016 Acts, ch 1014, §1; 2018 Acts, ch 1152, §1

Referred to in §456A.38, 499A.101

## SUBCHAPTER II

### GOVERNANCE

#### PART 1

#### GENERAL

#### **16.1A Creation — administration of programs.**

1. The Iowa finance authority is created, and constitutes a public instrumentality and agency of the state exercising public and essential governmental functions.

2. The authority shall undertake and administer all of the following:

a. Programs established under [this chapter](#).

b. Programs established by the authority which the authority finds useful and convenient to further goals of the authority and which are consistent with the legislative findings. Such programs shall be administered in accordance with [subchapter III](#). Such additional programs shall be administered in accordance with rules, if any, which the authority determines useful and convenient to adopt pursuant to [chapter 17A](#).

3. The Iowa finance authority board of directors shall have general control, supervision, and regulation of all programs described in [this section](#).

4. The authority is charged with the broad administrative authority to make, administer, interpret, construe, repeal, and execute the rules, and to administer, interpret, construe, and execute the laws of this state relating to such programs.

5. The board may, by resolution, delegate to the agricultural development board, title guaranty division board, executive director, or other authority employee such of its powers, under such terms and conditions, as it deems appropriate.

[2013 Acts, ch 100, §2, 17](#); [2014 Acts, ch 1080, §5, 78](#); [2015 Acts, ch 30, §12](#)

Referred to in [§16.1, 455B.291](#)

### **16.2 Authority board of directors.**

1. An Iowa finance authority board of directors is created. The powers of the authority are vested in and shall be exercised by the board. The authority includes nine voting members appointed by the governor subject to confirmation by the senate. The authority also includes one ex officio voting member who must be designated by the agricultural development board created in [section 16.2C](#) and be a member of that board.

a. Not more than five members shall belong to the same political party.

b. As far as possible, when appointing members the governor shall include persons who represent community and housing development industries, housing finance industries, the real estate sales industry, elderly families, minorities, lower income families, very low income families, families which include persons with disabilities, average taxpayers, local government, business interests, and any other person specially interested in community housing, finance, or small business.

2. The members of the authority appointed by the governor shall serve for staggered terms of six years beginning and ending as provided in [section 69.19](#). A person appointed by the governor to fill a vacancy shall serve only for the unexpired portion of the term. A member is eligible for reappointment. The ex officio voting member designated by the agricultural development board shall serve at the pleasure of that board. A member of the authority may be removed from office by the governor for misfeasance, malfeasance, or willful neglect of duty or other just cause, after notice and hearing, unless the notice and hearing is expressly waived in writing.

3. There shall be four ex officio, nonvoting legislative members consisting of the following:

a. Two state senators, one appointed by the majority leader of the senate and one appointed by the minority leader of the senate from their respective parties.

b. Two state representatives, one appointed by the speaker and one appointed by the minority leader of the house of representatives from their respective parties.

4. Six voting members of the authority constitute a quorum and the affirmative vote of a majority of the members is necessary for any substantive action taken by the authority. The majority shall not include any member who has a conflict of interest and a statement by a member of a conflict of interest shall be conclusive for this purpose. A vacancy in the membership does not impair the right of a quorum to exercise all rights and perform all duties of the authority.

5. Members of the authority are entitled to receive a per diem as specified in [section 7E.6](#) for each day spent in performance of duties as members, and shall be reimbursed for all actual and necessary expenses incurred in the performance of duties as members.

6. Members of the authority and the executive director shall give bond as required for public officers in [chapter 64](#).

7. Meetings of the authority shall be held at the call of the chairperson or whenever two members so request.

8. Members shall elect a chairperson and vice chairperson annually, and other officers as they determine, but the executive director shall serve as secretary to the authority.

9. The net earnings of the authority, beyond that necessary for retirement of its notes, bonds or other obligations, or to implement the public purposes and programs herein authorized, shall not inure to the benefit of any person other than the state. Upon termination of the existence of the authority, title to all property owned by the authority, including any



such net earnings of the authority, shall vest in the state. The state reserves the right at any time to alter, amend, repeal, or otherwise change the structure, organization, programs, or activities of the authority, including the power to terminate the authority, except that no law shall ever be passed impairing the obligation of any contract or contracts entered into by the authority to the extent that any such law would contravene Article I, section 21, of the Constitution of the State of Iowa or Article I, section 10, of the Constitution of the United States.

[C77, 79, 81, §220.2; 81 Acts, ch 76, §2]

84 Acts, ch 1281, §6; 85 Acts, ch 252, §26; 87 Acts, ch 141, §2; 88 Acts, ch 1158, §49; 90 Acts, ch 1256, §37, 38

C93, §16.2

96 Acts, ch 1129, §9; 2003 Acts, ch 145, §139; 2006 Acts, ch 1010, §12; 2007 Acts, ch 22, §10; 2007 Acts, ch 54, §11; 2009 Acts, ch 43, §2; 2013 Acts, ch 100, §3, 17; 2014 Acts, ch 1080, §6, 78; 2014 Acts, ch 1092, §10; 2019 Acts, ch 154, §19, 20; 2019 Acts, ch 161, §2, 3, 18, 19; 2020 Acts, ch 1063, §10

Referred to in §16.1, 16.2A, 16.13

Confirmation, see §2.32

Subsection 1 amended

## PART 2

### SPECIAL GOVERNING UNITS

#### 16.2A Title guaranty division — board.

1. A title guaranty division is created within the authority. The division may also be referred to as Iowa title guaranty. The powers of the division relating to the issuance of title guaranties are vested in and shall be exercised by a title guaranty division board of five members appointed by the governor subject to confirmation by the senate. The membership of the title guaranty division board shall include an attorney, an abstractor, a real estate broker, a representative of a lending institution that engages in mortgage lending, and a representative of the housing development industry. The executive director of the authority shall appoint an attorney as director of the title guaranty division, who shall serve as an ex officio member of the title guaranty division board. The appointment of and compensation for the division director are exempt from the merit system provisions of [chapter 8A, subchapter IV](#).

2. Members of the title guaranty division board shall be appointed by the governor for staggered terms of six years beginning and ending as provided in [section 69.19](#). A person shall not serve on the title guaranty division board while serving on the authority board. A person appointed to fill a vacancy shall serve only for the unexpired portion of the term. A member is eligible for reappointment. A member of the title guaranty division board may be removed from office by the governor for misfeasance, malfeasance, or willful neglect of duty or for other just cause, after notice and hearing, unless notice and hearing is expressly waived in writing.

3. Three members of the title guaranty division board shall constitute a quorum. An affirmative vote of a majority of the appointed members is necessary for any substantive action taken by the division.

4. Members of the title guaranty division board are entitled to receive a per diem as specified in [section 7E.6](#) for each day spent in performance of duties as members and shall be reimbursed for all actual and necessary expenses incurred in the performance of duties as members.

5. Members of the title guaranty division board and the director shall give bond as required for public officers in [chapter 64](#).

6. Meetings of the title guaranty division board shall be held at the call of the chair of the title guaranty division board or on written request of two members.

7. Members shall elect a chair and vice chair annually and other officers as they determine.

The executive director or the executive director's designee shall serve as secretary to the title guaranty division board.

8. The net earnings of the division, beyond that necessary for reserves, backing, guaranties issued, or to otherwise implement the public purposes and programs authorized, shall not inure to the benefit of any person other than the state and are subject to [section 16.2, subsection 9](#).

[2007 Acts, ch 54, §12](#); [2013 Acts, ch 100, §4, 17](#); [2014 Acts, ch 1012, §2](#); [2014 Acts, ch 1026, §9](#); [2014 Acts, ch 1080, §7, 78](#); [2015 Acts, ch 25, §1](#); [2015 Acts, ch 30, §13](#)

Confirmation, see [§2.32](#)

### **16.2B Agricultural development division — administration of programs.**

1. An agricultural development division is created within the authority. The agricultural development division shall administer [subchapter VIII](#), by providing assistance to beginning farmers, agricultural producers, or other persons qualifying for such assistance under [subchapter VIII](#).

2. The agricultural development division shall be administered in accordance with the policies of the agricultural development board created in [section 16.2C](#). The executive director of the authority may organize the agricultural development division and employ necessary qualified personnel to administer [subchapter VIII](#).

3. The agricultural development division shall, to every extent practical, assist persons to do all of the following:

a. Acquire agricultural land, agricultural improvements, or depreciable agricultural property, including as provided in [subchapter VIII](#).

b. Claim beginning farmer tax credits, including tax credit certificates issued pursuant to [subchapter VIII, part 5, subpart B](#).

c. Obtain financing for other capital requirements or operating expenses.

4. The net earnings of the agricultural development division, beyond that necessary for retirement of its notes, bonds, or other obligations or to implement the public purposes and programs authorized in [subchapter VIII](#), shall not inure to the benefit of any person other than the state.

[2014 Acts, ch 1080, §8, 78](#); [2015 Acts, ch 30, §14](#); [2019 Acts, ch 161, §4, 18, 19](#)

Referred to in [§16.2C](#)

### **16.2C Agricultural development board.**

1. The powers of the agricultural development division are vested in and shall be exercised by the agricultural development board as provided in [section 16.2B](#) and [this section](#).

2. The agricultural development board is created to exercise all powers and perform all duties necessary to administer [subchapter VIII](#) according to policies established by the authority. The authority shall establish policies and practices for the division and oversee its operations. The authority may review or approve decisions affecting the division or administration of [subchapter VIII](#), including decisions of the agricultural development board.

3. The agricultural development board consists of five members appointed by the governor subject to confirmation by the senate. The executive director of the authority or the executive director's designee shall serve as an ex officio, nonvoting member.

4. The appointed members of the agricultural development board shall be appointed and retained in office as follows:

a. Not more than three members shall belong to the same political party.

b. As far as possible, the governor shall include within the membership persons who represent lending institutions experienced in agricultural lending, real estate sales, farmers, beginning farmers, average taxpayers, local government, soil and water conservation district officials, agricultural educators, and other persons specially interested in family farm development.

c. Members shall serve for staggered terms of six years beginning and ending as provided in [section 69.19](#). A person appointed to fill a vacancy shall serve only for the unexpired portion of the member's term. A member is eligible for reappointment. An appointed member may be removed from office by the governor for misfeasance, malfeasance, willful neglect of duty,

or other just cause, after notice and hearing, unless the notice and hearing is expressly waived in writing.

5. The agricultural development board shall conduct business according to all of the following:

a. Three appointed members constitute a quorum and the affirmative vote of a majority of the appointed members is necessary for any substantive action taken by the board. A majority of appointed members shall not include any member who has a conflict of interest and a statement by a member that the member has a conflict of interest is conclusive for this purpose. A vacancy in the membership does not impair the right of a quorum to exercise all rights and perform all duties of the board.

b. Meetings of the board shall be held at the call of the chairperson or whenever two appointed members so request.

c. The appointed members shall elect a chairperson and vice chairperson annually, and other officers as they determine. The executive director of the authority or the executive director's designee shall serve as secretary to the board.

6. An appointed member of the agricultural development board is entitled to receive a per diem as specified in [section 7E.6](#) for each day spent in performance of duties as a member, and shall be reimbursed for all actual and necessary expenses incurred in the performance of duties as a member.

7. An appointed member of the agricultural development board shall give bond as required for public officers in [chapter 64](#).

[2014 Acts, ch 1080, §9, 78](#)

Referred to in [§16.2, 16.2B, 16.13, 16.77](#)

Confirmation, see [§2.32](#)

#### **16.2D Council on homelessness.**

1. A council on homelessness is created consisting of thirty-eight voting members. At all times, at least one voting member shall be a member of a minority group.

2. Members of the council shall consist of all of the following:

a. Twenty-six members of the general public appointed to two-year staggered terms by the governor in consultation with the nominating committee under [subsection 4](#), paragraph "a".

(1) Voting members from the general public may include but are not limited to the following types of individuals and representatives of the following programs: homeless or formerly homeless individuals and their family members, youth shelters, faith-based organizations, local homeless service providers, emergency shelters, transitional housing providers, family and domestic violence shelters, private business, local government, and community-based organizations.

(2) Five of the twenty-six voting members selected from the general public shall be individuals who are homeless, formerly homeless, or family members of homeless or formerly homeless individuals.

(3) One of the twenty-six members selected from the general public shall be a representative of the Iowa state association of counties.

(4) One of the twenty-six members selected from the general public shall be a representative of the Iowa league of cities.

b. Twelve agency director members consisting of all of the following:

(1) The director of the department of education or the director's designee.

(2) The director of the economic development authority or the director's designee.

(3) The director of human services or the director's designee.

(4) The attorney general or the attorney general's designee.

(5) The director of the department of human rights or the director's designee.

(6) The director of public health or the director's designee.

(7) The director of the department on aging or the director's designee.

(8) The director of the department of corrections or the director's designee.

(9) The director of the department of workforce development or the director's designee.

(10) The director of the department of public safety or the director's designee.

(11) The director of the department of veterans affairs or the director's designee.

(12) The executive director of the Iowa finance authority or the executive director's designee.

3. An agency director's designee may vote on council matters in the absence of the director.

4. *a.* A nominating committee initially comprised of all twelve agency director members shall nominate persons to the governor to fill the general public member positions. Following appointment of all twenty-six general public members, the composition of the nominating committee may be modified by rule.

*b.* The council may establish other committees and subcommittees comprised of members of the council.

5. A vacancy on the council shall be filled in the same manner as the original appointment. A member appointed to fill a vacancy created other than by expiration of a term shall be appointed for the remainder of the unexpired term.

6. *a.* A majority of the members of the council constitutes a quorum. Any action taken by the council must be adopted by the affirmative vote of a majority of its membership.

*b.* The council shall elect a chairperson and vice chairperson from the membership of the council. The chairperson and vice chairperson shall each serve two-year terms. The positions of chairperson and vice chairperson shall not both be held by either general public members or agency director members. The positions of chairperson and vice chairperson shall rotate between agency director members and general public members.

*c.* The council shall meet at least six times per year. Meetings of the council may be called by the chairperson or by a majority of the members.

*d.* General public members shall be reimbursed by the authority for actual and necessary expenses incurred while engaged in their official duties.

7. The authority shall provide staff assistance and administrative support to the council.

8. The duties of the council shall include but are not limited to the following:

*a.* Develop a process for evaluating state policies, programs, statutes, and rules to determine whether any state policies, programs, statutes, or rules should be revised to help prevent and alleviate homelessness.

*b.* Evaluate whether state agency resources could be more efficiently coordinated with other state agencies to prevent and alleviate homelessness.

*c.* Work to develop a coordinated and seamless service delivery system to prevent and alleviate homelessness.

*d.* Use existing resources to identify and prioritize efforts to prevent persons from becoming homeless and to eliminate factors that keep people homeless.

*e.* Identify and use federal and other funding opportunities to address and reduce homelessness within the state.

*f.* Work to identify causes and effects of homelessness and increase awareness among policymakers and the general public.

*g.* Advise the governor's office, the authority, state agencies, and private organizations on strategies to prevent and eliminate homelessness.

9. *a.* The council shall make annual recommendations to the governor regarding matters which impact homelessness on or before September 15.

*b.* The council shall prepare and file with the governor and the general assembly on or before the first day of December in each odd-numbered year, a report on homelessness in Iowa.

*c.* The council shall assist in the completion of the state's continuum of care application to the United States department of housing and urban development.

10. *a.* The authority, in consultation with the council, shall adopt rules pursuant to [chapter 17A](#) for carrying out the duties of the council pursuant to [this section](#).

*b.* The council shall establish internal rules of procedure consistent with the provisions of [this section](#).

*c.* Rules adopted or internal rules of procedure established pursuant to paragraph "a" or "b" shall be consistent with the requirements of the federal McKinney-Vento Homeless Assistance Act, 42 U.S.C. §11301 et seq.

11. The council shall comply with the requirements of [chapters 21](#) and [22](#). The authority shall be the official repository of council records.

[2014 Acts, ch 1080, §10, 78; 2015 Acts, ch 30, §15; 2016 Acts, ch 1073, §12](#)

### SUBCHAPTER III

## LEGISLATIVE FINDINGS AND GUIDING PRINCIPLES

Referred to in [§16.1](#), [16.1A](#), [16.70](#)

### PART 1

#### GENERAL

#### **16.2E Legislative findings — general.**

The general assembly finds and declares all of the following:

1. The establishment of the authority is in all respects for the benefit of the people of the state of Iowa, for the improvement of their health and welfare, and for the promotion of the economy, which are public purposes.

2. The authority will be performing an essential governmental function in the exercise of the powers and duties conferred upon it by [this chapter](#).

3. All of the purposes stated in [this chapter](#) are public purposes and uses for which public moneys may be borrowed, expended, advanced, loaned, or granted.

[2014 Acts, ch 1080, §11, 78](#)

### PART 2

#### HOUSING

#### **16.3 Legislative findings — housing.**

The general assembly finds and declares as follows:

1. There exists a serious shortage of safe and sanitary residential housing available to low or moderate income families.

2. This shortage is conducive to disease, crime, environmental decline and poverty and impairs the economic value of large areas, which are characterized by depreciated values, impaired investments, and reduced capacity to pay taxes and are a menace to the health, safety, morals and welfare of the citizens of the state.

3. These conditions result in a loss in population and further deterioration, accompanied by added costs to communities for creation of new public facilities and services elsewhere.

4. One major cause of this condition has been recurrent shortages of funds in private channels.

5. These shortages have contributed to reductions in construction of new residential units, and have made the sale and purchase of existing residential units a virtual impossibility in many parts of the state.

6. The ordinary operations of private enterprise have not in the past corrected these conditions.

7. A stable supply of adequate funds for residential financing is required to encourage new housing and the rehabilitation of existing housing in an orderly and sustained manner and to reduce the problems described in [this section](#).

8. It is necessary to create a state finance authority to encourage the investment of private capital and stimulate the construction and rehabilitation of adequate housing through the use of public financing.

9. The interest costs paid by group homes of fifteen beds or less licensed as health care facilities or child foster care facilities for facility acquisition and indirectly reimbursed by the department of human services through payments for patients at those facilities who

are recipients of medical assistance or state supplementary assistance are severe drains on the state's budget. A reduction in these costs obtained through financing with tax-exempt revenue bonds would clearly be in the public interest.

10. There is a need in areas of the state for new construction of certain group homes of fifteen beds or less licensed as health care facilities or child foster care facilities to provide adequate housing and care for elderly Iowans and Iowans with disabilities, and to provide adequate housing and foster care for children.

11. There is a need to provide for early intensive intervention on behalf of juveniles which is designed to meet the juveniles' needs and prevent future antisocial and criminal behavior and there is a need in areas of the state to establish facilities providing residential housing or treatment facilities for juveniles requiring a more enhanced level of services than those services currently available in the state's existing foster care system.

[C77, 79, 81, §220.3; 82 Acts, ch 1187, §4]

83 Acts, ch 96, §157, 159; 85 Acts, ch 252, §27; 90 Acts, ch 1239, §5

C93, §16.3

96 Acts, ch 1129, §10; 2007 Acts, ch 54, §13; 2008 Acts, ch 1031, §16; 2014 Acts, ch 1080, §12, 78

**16.3A Conflicts of interest.** Repealed by 2014 Acts, ch 1080, §111, 114. See [§16.13](#).

#### **16.4 Guiding principles — housing — other programs and projects.**

In the performance of its duties and implementation of its powers, and in the selection of specific programs and projects to receive its assistance, the authority shall be guided by the following precatory principles:

1. The authority shall not become an owner of real property constituting a project under any program, except on a temporary basis where necessary in order to implement its programs, protect its investments by means of foreclosure or other means, or to facilitate transfer of real property for the use of low or moderate income families.

2. The authority shall strive to function in cooperation with local governmental units and local or regional housing agencies, and in fulfillment of local or regional housing plans, and to that end shall provide technical assistance to local governmental units and local or regional agencies in need of that assistance.

3. When feasible, a local contributing effort may be required of each project assisted by the authority. The local contribution may be provided by local governmental units or by local or regional agencies, public or private. The percentage and type of local contribution shall be determined by the authority, and may include but should not be limited to cash match, land contribution, tax abatement, or ancillary facilities. The authority shall seek to encourage ingenuity and creativity in local effort.

4. The authority shall encourage units of local government and local and regional housing agencies to use federal revenue-sharing funds for programs which increase or improve the supply of adequate housing for low or moderate income families.

5. The authority shall seek to encourage cooperative housing efforts at the local level, both with respect to the cooperation of public bodies with private enterprise and civic groups, and with respect to the formation of regional or multicity units engaged in housing.

6. With respect to programs relating to housing, wherever practicable, the authority shall give preference to the following types of programs:

a. Those which treat housing problems in the context of the total needs of individuals and communities, recognizing that individuals may have other problems and needs closely related to their need for adequate housing, and that the development of isolated housing units without regard for neighborhood and community development tends to create undesirable consequences.

b. Those which promote home ownership by families of low or moderate income, recognizing the need for educational counseling programs in family financial management and home maintenance in order to achieve this goal.

c. Those which involve the rehabilitation and conservation of existing housing units, and the preservation of existing neighborhoods and communities.

d. Those designed to serve elderly families, families which include one or more persons with disabilities, lower income families, or very low income families.

7. The authority shall encourage the protection, restoration, and rehabilitation of historic properties, and the preservation of other properties of special value for architectural or esthetic reasons.

[C77, 79, 81, §220.4]

C93, §16.4

96 Acts, ch 1129, §113; 2007 Acts, ch 54, §15 – 18; 2014 Acts, ch 1080, §13, 78

### PART 3

#### AGRICULTURAL DEVELOPMENT

##### **16.4A Legislative findings — agricultural development.**

The general assembly finds and declares all of the following:

1. There exists a serious problem in this state regarding the ability of nonestablished farmers to acquire agricultural land and agricultural improvements and depreciable agricultural property in order to enter farming.

2. This barrier to entry into farming is conducive to consolidation of acreage of agricultural land with fewer individuals resulting in a grave threat to the traditional family farm.

3. These conditions result in a loss in population, unemployment, and a movement of persons from rural communities to urban areas accompanied by added costs to communities for creation of new public facilities and services.

4. One major cause of this condition has been recurrent shortages of funds in private channels and the high interest cost of borrowing.

5. These shortages and costs have made the sale and purchase of agricultural land to beginning farmers a virtual impossibility in many parts of the state.

6. The ordinary operations of private enterprise have not in the past corrected these conditions.

7. A stable supply of adequate funds for agricultural financing is required to encourage beginning farmers in an orderly and sustained manner and to reduce the problems described in [this section](#).

8. Article IX, 2nd subarticle, section 3, of the Constitution of the State of Iowa requires that, “The General Assembly shall encourage, by all suitable means, the promotion of intellectual, scientific, moral, and agricultural improvement,” and agricultural improvement and the public good are served by a policy of facilitating access to capital by beginning farmers unable to obtain capital elsewhere in order to preserve, encourage, and protect the family farm which has been the economic, political, and social backbone of rural Iowa.

9. It is necessary to create a program to encourage ownership of farms by beginning farmers by providing purchase money loans to beginning farmers who are not able to obtain adequate capital elsewhere to provide such funds and to lower costs through the use of public financing.

10. There exists a serious problem in this state regarding the ability of farmers to obtain affordable operating loans for reasonable and necessary expenses and cash flow requirements of farming.

11. Farming is one of the principal pursuits of the inhabitants of this state. Many other industries and pursuits, in turn, are wholly dependent upon farming.

12. The inability of farmers to obtain affordable operating loans is conducive to a general decline of the economy in this state.

13. A serious problem continues to exist in this state regarding the ability of agricultural producers to obtain, retain, restructure, or service loans or other financing on a reasonable and affordable basis for operating expenses, cash flow requirements, and capital asset acquisition or maintenance.

14. Because the Iowa economy is dependent upon the production and marketing of

agricultural produce, the inability of agricultural producers to obtain, retain, restructure, or service loans or other financing on a reasonable and an affordable basis for operating expenses, cash flow requirements, or capital asset acquisition or maintenance contributes to a general decline of the state's economy.

[2014 Acts, ch 1080, §14, 78](#)

#### **16.4B Guiding principles — agricultural development.**

In the performance of its duties, implementation of its powers, and the selection of specific programs and projects to receive its assistance under [subchapter VIII](#), the authority shall be guided by the following precatory principles:

1. The authority shall not become an owner of real or depreciable property, except on a temporary basis where necessary in order to implement its programs, to protect its investments by means of foreclosure or other means, or to facilitate transfer of real or depreciable property for the use of beginning farmers.

2. The authority shall exercise diligence and care in selection of projects to receive its assistance and shall apply customary and acceptable business and lending standards in selection and subsequent implementation of the projects. The authority may delegate primary responsibility for determination and implementation of the projects to any federal governmental agency which assumes any obligation to repay the loan, either directly or by insurance or guaranty.

3. The authority shall develop programs for providing financial assistance to agricultural producers in this state.

[2014 Acts, ch 1080, §15, 78](#)

### PART 4

#### TITLE GUARANTY

#### **16.4C Legislative findings — title guaranty.**

The general assembly finds and declares that the abstract attorney's title opinion system promotes land title stability for determining the marketability of land titles and is a public purpose. A public purpose is served by providing, as an adjunct to the abstract attorney's title opinion system, a low-cost mechanism to provide for additional guaranties of real property titles in Iowa. The title guaranties facilitate mortgage lenders' participation in the secondary market and add to the integrity of the land-title transfer system in the state.

[2014 Acts, ch 1080, §16, 78](#)

### PART 5

#### ECONOMIC DEVELOPMENT

#### **16.4D Legislative findings — economic development.**

The general assembly finds and declares all of the following:

1. Economic development and expansion of business, industry, and farming in the state is dependent upon the availability of financing of the development and expansion at affordable interest rates.

2. The pooling of private financing enhances the marketability of the obligations involved and increases access to other state, regional, and national credit markets.

3. The creation of an economic development program as provided in [section 16.102](#) will make the pooling of private financing available to small businesses, farmers, agricultural landowners and operators, and commercial, industrial, and other business enterprises at favorable interest rates with reduced marketing costs.

[2014 Acts, ch 1080, §17, 78](#)



SUBCHAPTER IV  
POWERS AND DUTIES

Referred to in [§16.84](#)

PART 1  
GENERAL POWERS AND DUTIES

**16.5 General powers.**

1. The authority has any and all powers necessary and convenient to carry out its purposes and duties, and exercise its specific powers, including but not limited to the power to:

*a.* Issue its negotiable bonds and notes as provided in [this chapter](#) in order to finance its programs. In addition, the authority may issue bonds, notes, or other obligations for public or private entities for the purpose of financing any project regardless of location for the authority's programs.

*b.* Sue and be sued in its own name.

*c.* Have and alter a corporate seal.

*d.* Make and alter bylaws for its management consistent with the provisions of [this chapter](#).

*e.* Make and execute agreements, contracts, and other instruments of any and all types on such terms and conditions as the authority may find necessary or convenient to the purposes of the authority, with any public or private entity, including but not limited to contracts for goods and services. All political subdivisions, public housing agencies, other public agencies and state departments and agencies may enter into contracts and otherwise cooperate with the authority.

*f.* By rule, adopt procedures relating to competitive bidding, including the identification of those circumstances under which competitive bidding by the authority, either formally or informally, shall be required. In any bidding process, the authority may administer its own bidding and procurement or may utilize the services of the department of administrative services or any other agency. Except when such rules apply, the authority and all contracts made by it in carrying out its public and essential governmental functions with respect to any of its programs shall be exempt from the provisions and requirements of all laws or rules of the state which require competitive bids in connection with the letting of such contracts.

*g.* Acquire, hold, improve, mortgage, lease, and dispose of real and personal property, including but not limited to the power to sell at public or private sale, with or without public bidding, any such property, mortgage loan, or other obligation held by it.

*h.* Procure insurance against any loss in connection with its operations and property interests.

*i.* Fix and collect fees and charges for its services.

*j.* Subject to an agreement with bondholders or noteholders, invest or deposit moneys of the authority in a manner determined by the authority, notwithstanding [chapter 12B](#) or [12C](#).

*k.* Accept appropriations, gifts, grants, loans, or other aid from public or private entities. A record of all gifts or grants, stating the type, amount and donor, shall be clearly set out in the authority's annual report along with the record of other receipts.

*l.* Provide technical assistance and counseling related to the authority's purposes, to public and private entities.

*m.* In cooperation with other local, state, or federal governmental agencies, conduct research studies, develop estimates of unmet housing needs, gather and compile data useful to facilitating decision making, and enter into agreements to carry out programs within or without the state which the authority finds to be consistent with the goals of the authority.

*n.* Cooperate in the development of and initiate housing demonstration projects.

*o.* Contract with architects, engineers, attorneys, accountants, housing construction and finance experts, and other advisors. However, the authority may enter into contracts or agreements for such services with local, state, or federal governmental agencies.

p. Through the Iowa title guaranty division, make and issue title guaranties on Iowa real property in a form acceptable to the secondary market, to fix and collect the charges for the guaranties and to procure reinsurance against any loss in connection with the guaranties.

q. Own or acquire intellectual property rights including but not limited to copyrights, trademarks, service marks, and patents, and enforce the rights of the authority with respect to such intellectual property rights.

r. Make, alter, and repeal rules consistent with the provisions of [this chapter](#), and subject to [chapter 17A](#).

s. Establish one or more funds within the state treasury under the control of the authority and invest moneys of the authority therein. Notwithstanding [section 8.33](#) or [12C.7](#), or any other provision to the contrary, moneys invested by the treasurer of state pursuant to [this subsection](#) shall not revert to the general fund of the state and interest accrued on the moneys shall be moneys of the authority and shall not be credited to the general fund. For purposes of this paragraph, the treasurer of state shall enter into an agreement with the authority to carry out the provisions of this paragraph.

t. Select projects to receive assistance by the exercise of diligence and care and apply customary and acceptable business and lending standards in the selection and subsequent implementation of such projects.

u. Exercise generally all powers typically exercised by private enterprises engaged in business pursuits unless the exercise of such a power would violate the terms of [this chapter](#) or the Constitution of the State of Iowa.

2. Notwithstanding any other provision of law, any purchase or lease of real property, other than on a temporary basis, when necessary in order to implement the programs of the authority, protect the investments of the authority by means of foreclosure or other means, or to facilitate the transfer of real property for the use of low or moderate income families, shall require written notice from the authority to the government oversight standing committees of the general assembly and the prior approval of the executive council.

3. The powers enumerated in [this section](#) are cumulative of and in addition to those powers enumerated elsewhere in [this chapter](#) and no such powers limit or restrict any other powers of the authority.

4. Notwithstanding any other provision of law, the authority may elect whether to utilize any or all of the goods or services available from other state agencies in the conduct of its affairs. Departments, boards, commissions, or other agencies of the state shall provide reasonable assistance and services to the authority upon the request of the executive director.

[C77, 79, 81, §220.5]

[84 Acts, ch 1230, §2](#); [85 Acts, ch 252, §28](#)

C93, §16.5

[97 Acts, ch 201, §17](#); [2004 Acts, ch 1134, §1](#); [2007 Acts, ch 54, §19](#); [2008 Acts, ch 1031, §17](#); [2009 Acts, ch 41, §19](#); [2014 Acts, ch 1080, §18, 78](#); [2016 Acts, ch 1014, §2](#)

**16.5A and 16.5B** Repealed by 2007 Acts, ch 54, §45.

## PART 2

### SPECIFIC POWERS AND DUTIES

#### **16.5C Specific program powers.**

In addition to the general powers of the authority, the authority shall have all powers convenient and necessary to carry out its programs, including but not limited to the power to:

1. Make property improvement loans and mortgage loans, including but not limited to mortgage loans insured, guaranteed, or otherwise secured by the federal government or by private mortgage insurers, to housing sponsors to provide financing of adequate housing for low or moderate income families, elderly families, families which include one or more persons with disabilities, child foster care facilities, and health care facilities.

2. Provide down payment grants on behalf of low and moderate income families to

nonprofit sponsors to defray all or part of the down payment on real property that is transferred by such sponsors to such families under the terms of the lease-purchase program.

3. Make grants and temporary loans, at interest rates and on terms as determined convenient and necessary by the authority, to defray the local contribution requirement for housing sponsors who apply for rent supplement assistance, to defray temporary housing costs that result from displacement by natural or other disaster, and to defray a portion of the expenses required to develop and initiate housing which deals creatively with housing problems of low or moderate income families, elderly families, and families which include one or more persons with disabilities.

4. Make temporary loans, at interest rates and on terms as determined convenient and necessary by the authority, to defray development costs for housing for low or moderate income families including but not limited to payments for options on sites; deposits on contracts and payments for purchase; legal and organizational expenses including attorney fees, project manager, clerical, and other staff salaries, office rent, and other additional expenses; payment of fees for preliminary feasibility studies and advances for planning, engineering, and architectural work; expenses for tenant surveys and market analysis; and necessary application and other fees.

5. Make or participate in the making of property improvement loans or mortgage loans for rehabilitation or preservation of existing dwellings. The authority may issue housing assistance fund notes payable solely from the housing assistance fund.

6. Renegotiate a mortgage loan or loan to a lending institution in default; waive a default or consent to the modification of the terms of a mortgage loan or a loan to a lending institution; forgive or forbear all or part of a mortgage loan or a loan to a lending institution; and commence, prosecute, and enforce a judgment in any action, including but not limited to a foreclosure action, to protect or enforce any right conferred upon the authority by law, mortgage loan agreement, contract, or other agreement, and in connection with any such action, bid for and purchase the property or acquire or take possession of it, complete, administer, and pay the principal of and interest on any obligations incurred in connection with the property, and dispose of and otherwise deal with the property in a manner as the authority deems advisable to protect its interests.

7. Designate areas of economic distress for purposes of section 103A(k)(3)(A)(i) of the Internal Revenue Code.

8. Purchase, and make advance commitments to purchase, residential mortgage loans from lending institutions at prices and upon terms and conditions it determines consistent with its goals and legislative findings. However, the total purchase price for all residential mortgage loans which the authority commits to purchase from a lending institution at any one time shall not exceed the total of the unpaid principal balances of the residential mortgage loans purchased. Lending institutions are authorized to sell residential mortgage loans to the authority in accordance with [this section](#) and the rules of the authority. The authority may charge a lending institution a commitment fee or other fees as set by rule as a condition for the authority purchasing residential mortgage loans.

9. Sell or make advanced commitments to sell residential mortgage loans in the organized or unorganized secondary mortgage market. The authority may issue and sell securities that are secured by residential mortgage loans held by the authority. The authority may aggregate the residential mortgage loans sold in the secondary market or used as security on the mortgage-backed securities. The amount of mortgage-backed securities sold shall not exceed the principal of the mortgages retained by the authority as security.

10. File a lien on property where appropriate, convenient, and necessary in carrying out a program.

[2007 Acts, ch 54, §20](#); [2014 Acts, ch 1080, §19, 78](#)

#### **16.5D Specific powers and duties — agricultural development.**

The authority has all of the general and specific powers needed to carry out its purposes and duties as provided in [this subchapter](#) and to exercise its specific powers under [subchapter VIII](#).

[2014 Acts, ch 1080, §20, 78](#)

SUBCHAPTER V  
ADMINISTRATION

PART 1  
EXECUTIVE DIRECTOR

**16.6 Executive director — responsibilities.**

1. The governor, subject to confirmation by the senate, shall appoint an executive director of the authority, who shall serve at the pleasure of the governor. The executive director shall be selected primarily for administrative ability and knowledge in the field, without regard to political affiliation. The executive director shall not, directly or indirectly, exert influence to induce any other officers or employees of the state to adopt a political view, or to favor a political candidate for office.

2. The executive director shall advise the authority on matters relating to housing and housing finance, carry out all directives from the authority, and hire and supervise the authority's staff pursuant to its directions. All employees of the authority are exempt from the merit system provisions of [chapter 8A, subchapter IV](#).

3. The executive director, as secretary of the authority, shall keep a record of the proceedings of the authority and shall be custodian of all books, documents, and papers filed with the authority and of its minute book and seal. The executive director shall have authority to cause to be made copies of all minutes and other records and documents of the authority and to give certificates under the seal of the authority to the effect that such copies are true copies and all persons dealing with the authority may rely upon such certificates.

4. The executive director may establish administrative divisions within the authority in order to most efficiently and effectively carry out the authority's responsibilities, provided that any creation or modification of authority divisions be established only after consultation with the board of the authority.

[C77, 79, 81, §220.6]

[86 Acts, ch 1237, §10](#); [88 Acts, ch 1158, §50](#); [89 Acts, ch 302, §11](#)

C93, §16.6

[2009 Acts, ch 43, §3](#); [2013 Acts, ch 30, §5](#)

Referred to in [§16.1](#)

Confirmation, see [§2.32](#)

PART 2  
GENERAL

**16.7 Annual report.**

1. The authority shall submit to the governor and to the general assembly, not later than January 15 each year, an annual report.

2. The annual report shall contain at least three parts which include all of the following:

a. A general description of the authority setting forth:

(1) Operations and accomplishments.

(2) Receipts and expenditures during the fiscal year, in accordance with the classifications the authority establishes for its operating and capital accounts.

(3) Assets and liabilities at the end of the fiscal year and the status of reserve, special, and other funds.

(4) A schedule of bonds and notes outstanding at the end of the fiscal year, together with a statement of the amounts redeemed and issued during the fiscal year.

(5) A statement of proposed and projected activities.

(6) Recommendations to the general assembly, as the authority deems necessary.

(7) Performance goals of the authority, clearly indicating the extent of progress during the reporting period in attaining the goals.

b. A summary of housing programs administered under [this chapter](#). The summary shall include an analysis of current housing needs in this state. Where possible, results shall be expressed in terms of housing units.

c. A summary of agricultural development programs administered under [subchapter VIII](#). Where possible, findings and results shall be expressed in terms of number of loans, tax credits, participating qualified beginning farmers, and acres of agricultural land, by county.

[C77, 79, 81, §220.7]

C93, §16.7

[2014 Acts, ch 1080, §21, 78; 2015 Acts, ch 30, §16](#)

**16.8** Reserved.

**16.9 Nondiscrimination and affirmative action.**

In administering its programs under [this chapter](#), the authority shall comply with all applicable state and federal laws relating to nondiscrimination and affirmative action.

[C77, 79, 81, §220.9]

C93, §16.9

[96 Acts, ch 1129, §113; 2014 Acts, ch 1080, §22, 78](#)

**16.10 Surplus moneys — loan and grant fund.** Repealed by 2014 Acts, ch 1080, §111, 114. See [§16.32](#).

**16.11 Assistance by state officers, agencies, and departments.**

State officers and state departments and agencies may render services to the authority within their respective functions as requested by the authority.

[2014 Acts, ch 1080, §23, 78](#)

**16.12 Property improvement loans and mortgage loans.** Repealed by [2007 Acts, ch 54, §45](#).

**16.13 Conflicts of interest.**

1. As used in [this section](#), “*member*” means each individual appointed to any of the following:

a. The board of directors of the authority created pursuant to [section 16.2](#).

b. The board of directors of the agricultural development division created pursuant to [section 16.2C](#).

2. a. If a member or employee of the authority other than the executive director of the authority has an interest, either direct or indirect, in a contract to which the authority is, or is to be, a party, or in a mortgage lender requesting a loan from, or offering to sell mortgage loans to, the authority, the interest shall be disclosed to the authority in writing and shall be set forth in the minutes of the authority. The member or employee having the interest shall not participate in any action of the authority with respect to that contract or mortgage lender.

b. A violation of a provision of [this subsection](#) is misconduct in office under [section 721.2](#). However, a resolution of the authority is not invalid because of a vote cast by a member in violation of [this subsection](#) unless the vote was decisive in the passage of the resolution.

c. For the purposes of [this subsection](#), “*action of the authority with respect to that contract or mortgage lender*” means only an action directly affecting a separate contract or mortgage lender, and does not include an action which benefits the general public or which affects all or a substantial portion of the contracts or mortgage lenders included in a program of the authority.

3. Nothing in [this section](#) shall be deemed to limit the right of a member, officer, or employee of the authority to acquire an interest in bonds or notes of the authority or to limit the right of a member, officer, or employee other than the executive director to have an interest in a financial institution, including a lending institution, in which the funds of the authority are, or are to be, deposited or which is, or is to be, acting as trustee or paying agent under a trust indenture to which the authority is a party.

4. The executive director shall not have an interest in a financial institution, including a lending institution, in which the funds of the authority are, or are to be, deposited or which is, or is to be, acting as trustee or paying agent under a trust indenture to which the authority is a party. The executive director shall not receive, in addition to fixed salary or compensation, any money or valuable thing, either directly or indirectly, or through any substantial interest in any other corporation or business unit, for negotiating, procuring, recommending, or aiding in any purchase or sale of property, or loan, made by the authority, nor shall the executive director be pecuniarily interested, either as principal, coprincipal, agent, or beneficiary, either directly or indirectly, or through any substantial interest in any other corporation or business unit, in any such purchase, sale, or loan.

[2014 Acts, ch 1080, §24, 78](#)

Referred to in [§16.16](#)

**16.14 Iowa homesteading program.** Repealed by [2007 Acts, ch 54, §45](#).

**16.15 Participation in federal housing assistance payments program.** Repealed by 2014 Acts, ch 1080, §111, 114. See [§16.36](#).

#### **16.16 Liability.**

1. A member, as defined in [section 16.13](#), or a person acting on behalf of the authority while acting within the scope of the member's or person's agency or employment, is not subject to personal liability resulting from carrying out the powers and duties in [this chapter](#).

2. The United States and the secretary of agriculture of the United States are not subject to liability by virtue of the transfer of the assets to the authority under [this chapter](#).

3. The treasurer of state shall not be subject to personal liability resulting from carrying out the powers and duties of the authority or the treasurer of state, as applicable, in [subchapter X, part 10](#).

[2014 Acts, ch 1080, §25, 78; 2015 Acts, ch 30, §17](#)

### PART 3

#### IOWA FINANCE AUTHORITY

#### **16.17 Rules.**

1. The authority shall adopt pursuant to [chapter 17A](#) all rules necessary to administer [this chapter](#).

2. The authority may adopt rules which establish further definitions applicable to [this chapter](#) and clarify the definitions in [this chapter](#), as the authority deems convenient and necessary to carry out the public purposes of [this chapter](#) including all the following:

a. Any rules necessary to assure eligibility for funds available under federal housing laws, or to assure compliance with federal tax laws relating to the issuance of tax exempt bonds pursuant to the Internal Revenue Code or relating to the allowance of low-income credits under Internal Revenue Code §42.

b. Any rule necessary to assure eligibility for funds, insurance, or guaranties available under federal laws and to carry out the public purposes of [subchapter VIII](#).

3. The authority may adopt rules relating to the purchase and sale of residential mortgage loans and the sale of mortgage-backed securities.

[2014 Acts, ch 1080, §26, 78; 2015 Acts, ch 30, §18](#)

#### **16.18 Inconsistent provisions.**

[This chapter](#) takes precedence over any conflicting provisions contained in [section 535.8, subsection 4](#), with respect to the use or enforcement of a due-on-sale or similar clause in a mortgage loan agreement, and takes precedence over any conflicting provisions contained in laws enacted after July 1, 1981, with respect to the use or enforcement of a due-on-sale or

similar clause in a mortgage loan agreement unless those laws expressly provide that they take precedence over [this chapter](#).

[2014 Acts, ch 1080, §27, 78](#)

**16.19 Liberal interpretation.**

[This chapter](#), being necessary for the welfare of this state and its inhabitants, shall be liberally construed to effect its purposes.

[2014 Acts, ch 1080, §28, 78](#)

SUBCHAPTER VI

FINANCING

**16.20 and 16.21** Repealed by 2014 Acts, ch 1080, §111, 114.

**16.22 Application of funds from sales of obligations.**

All moneys received by or on behalf of the authority, whether as proceeds from the sale of obligations or as revenues, are trust funds to be held and applied solely for the purposes specified in the appropriation, bond resolution, or other document authorizing receipt of the moneys by the authority. A person with which the moneys are deposited shall act as trustee of the moneys and shall hold and apply the moneys for the purposes specified in [this chapter](#) subject to limitations specified in [this chapter](#) and in the bond resolution authorizing the issuance of the obligations.

[2014 Acts, ch 1080, §29, 78](#)

**16.23 through 16.25** Repealed by 2007 Acts, ch 54, §45.

**16.26 Bonds and notes.**

1. The authority may issue its negotiable bonds and notes in principal amounts as, in the opinion of the authority, are necessary to provide sufficient funds for achievement of its corporate purposes, the payment of interest on its bonds and notes, the establishment of reserves to secure its bonds and notes, and all other expenditures of the authority incident to and necessary or convenient to carry out its purposes and powers. The bonds and notes shall be deemed to be investment securities and negotiable instruments within the meaning of and for all purposes of the uniform commercial code, [chapter 554](#).

2. Bonds and notes issued by the authority are payable solely and only out of the moneys, assets, or revenues of the authority, and as provided in the agreement with bondholders or noteholders pledging any particular moneys, assets, or revenues. Bonds or notes are not an obligation of this state or any political subdivision of this state other than the authority within the meaning of any constitutional or statutory debt limitations, but are special obligations of the authority payable solely and only from the sources provided in [this chapter](#), and the authority may not pledge the credit or taxing power of this state or any political subdivision of this state other than the authority, or make its debts payable out of any moneys except those of the authority.

3. Bonds and notes must be authorized by a resolution of the authority. However, a resolution authorizing the issuance of bonds or notes may delegate to an officer of the authority the power to negotiate and fix the details of an issue of bonds or notes by an appropriate certificate of the authorized officer.

4. Bonds shall:

a. State the date and series of the issue, and state that they are payable both as to principal and interest solely out of the assets of the authority and do not constitute an indebtedness of this state or any political subdivision of this state other than the authority within the meaning of any constitutional or statutory debt limit.

b. Be either registered, registered as to principal only, or in coupon form, issued in denominations as the authority prescribes, fully negotiable instruments under the laws

of this state, signed on behalf of the authority with the manual or facsimile signature of the chairperson or vice chairperson, attested by the manual or facsimile signature of the secretary, have impressed or imprinted thereon the seal of the authority or a facsimile of it, and the coupons attached shall be signed with the facsimile signature of the chairperson or vice chairperson, be payable as to interest at rates and at times as the authority determines, be payable as to principal at times over a period not to exceed fifty years from the date of issuance, at places, and with reserved rights of prior redemption, as the authority prescribes, be sold at prices, at public or private sale, and in a manner as the authority prescribes, and the authority may pay all expenses, premiums, and commissions which it deems necessary or advantageous in connection with the issuance and sale, and be issued under and subject to the terms, conditions, and covenants providing for the payment of the principal, redemption premiums, if any, interest, and other terms, conditions, covenants, and protective provisions safeguarding payment, not inconsistent with [this chapter](#), as are found to be necessary by the authority for the most advantageous sale, which may include, but are not limited to, covenants with the holders of the bonds as to:

(1) Pledging or creating a lien, to the extent provided by the resolution, on moneys or property of the authority or moneys held in trust or otherwise by others to secure the payment of the bonds.

(2) Providing for the custody, collection, securing, investment, and payment of any moneys of or due to the authority.

(3) The setting aside of reserves or sinking funds and the regulation or disposition of them.

(4) Limitations on the purpose to which the proceeds of sale of an issue of bonds then or thereafter to be issued may be applied.

(5) Limitations on the issuance of additional bonds and on the refunding of outstanding or other bonds.

(6) The procedure by which the terms of a contract with the holders of bonds may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which consent may be given.

(7) The creation of special funds into which moneys of the authority may be deposited.

(8) Vesting in a trustee properties, rights, powers, and duties in trust as the authority determines, which may include the rights, powers, and duties of the trustee appointed for the holders of any issue of bonds pursuant to [section 16.28](#), in which event the provisions of that section authorizing appointment of a trustee by the holders of bonds shall not apply, or limiting or abrogating the right of the holders of bonds to appoint a trustee under that section, or limiting the rights, duties, and powers of the trustee.

(9) Defining the acts or omissions which constitute a default in the obligations and duties of the authority and providing for the rights and remedies of the holders of bonds in the event of a default. However, rights and remedies shall be consistent with the laws of this state and other provisions of [this chapter](#).

(10) Any other matters which affect the security and protection of the bonds and the rights of the holders.

5. The authority may issue its bonds for the purpose of refunding any bonds or notes then outstanding, including the payment of any redemption premiums thereon and any interest accrued or to accrue to the date of redemption of the outstanding bonds or notes. Until the proceeds of bonds issued for the purpose of refunding outstanding bonds or notes are applied to the purchase or retirement of outstanding bonds or notes or the redemption of outstanding bonds or notes, the proceeds may be placed in escrow and be invested and reinvested in accordance with the provisions of [this chapter](#). The interest, income, and profits earned or realized on an investment may also be applied to the payment of the outstanding bonds or notes to be refunded by purchase, retirement, or redemption. After the terms of the escrow have been fully satisfied and carried out, any balance of proceeds and interest earned or realized on the investments may be returned to the authority for use by it in any lawful manner. All refunding bonds shall be issued and secured and subject to the provisions of [this chapter](#) in the same manner and to the same extent as other bonds issued pursuant to [this chapter](#).

6. The authority may issue negotiable bond anticipation notes and may renew them from



time to time but the maximum maturity of the notes, including renewals, shall not exceed ten years from the date of issue of the original notes. Bond anticipation notes are payable from any available moneys of the authority not otherwise pledged, or from the proceeds of the sale of bonds of the authority in anticipation of which the bond anticipation notes were issued. Bond anticipation notes may be issued for any corporate purpose of the authority. Bond anticipation notes shall be issued in the same manner as bonds and notes, and the resolution authorizing them may contain any provisions, conditions, or limitations, not inconsistent with the provisions of [this subsection](#), which the bonds or a bond resolution of the authority may contain. Bond anticipation notes may be sold at public or private sale. In case of default on its bond anticipation notes or violation of any obligations of the authority to the noteholders, the noteholders shall have all the remedies provided in [this chapter](#) for bondholders. Bond anticipation notes shall be as fully negotiable as bonds of the authority.

7. A pledge made in respect of bonds or notes shall be valid and binding from the time the pledge is made. The moneys or property so pledged and received after the pledge by the authority shall immediately be subject to the lien of the pledge without physical delivery or further act. The lien of the pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the authority whether or not the parties have notice of the lien. Neither the resolution, trust agreement, nor any other instrument by which a pledge is created needs to be recorded or filed under the Iowa uniform commercial code, [chapter 554](#), to be valid, binding, or effective against the parties.

8. Neither the members of the authority nor any person executing its bonds, notes, or other obligations shall be liable personally on the bonds, notes, or other obligations or be subject to any personal liability or accountability by reason of the issuance of the authority's bonds or notes.

9. The authority may make or participate in the making of loans to housing sponsors to provide interim construction financing for the construction or rehabilitation of adequate housing for low or moderate income persons or families, elderly persons or families, and persons or families which include one or more persons with disabilities, and of noninstitutional residential care facilities. An interim construction loan may be made under [this section](#) only if the loan is the subject of a commitment from an agency or instrumentality of the United States government or from the authority, to provide long-term financing for the mortgage loan, and interim construction advances made under the interim construction loan will be insured or guaranteed by an agency or instrumentality of the United States government.

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

[C77, 79, 81, §220.26; 82 Acts, ch 1173, §3]

83 Acts, ch 124, §4; 84 Acts, ch 1281, §7; 85 Acts, ch 225, §2

C93, §16.26

96 Acts, ch 1129, §113; 2000 Acts, ch 1149, §161, 187; 2005 Acts, ch 3, §12; 2014 Acts, ch 1080, §30, 31, 78; 2015 Acts, ch 30, §19; 2016 Acts, ch 1014, §3; 2017 Acts, ch 33, §1

Referred to in §173.14B

### **16.27 Reserve funds and appropriations.**

1. The authority may create and establish one or more special funds, to be known as "bond reserve funds", and shall pay into each bond reserve fund any moneys appropriated and made available by the state for the purpose of the fund, any proceeds of sale of notes or bonds to the extent provided in the resolutions of the authority authorizing their issuance, and any other moneys which may be available to the authority for the purpose of the fund from any other sources. All moneys held in a bond reserve fund, except as otherwise provided in [this chapter](#), shall be used as required solely for the payment of the principal of bonds secured in whole or in part by the fund or of the sinking fund payments with respect to the bonds, the

purchase or redemption of the bonds, the payment of interest on the bonds or the payments of any redemption premium required to be paid when the bonds are redeemed prior to maturity.

2. Moneys in a bond reserve fund shall not be withdrawn from it at any time in an amount that will reduce the amount of the fund to less than the bond reserve fund requirement established for the fund, as provided in [this section](#), except for the purpose of making, with respect to bonds secured in whole or in part by the fund, payment when due of principal, interest, redemption premiums and the sinking fund payments with respect to the bonds for the payment of which other moneys of the authority are not available. Any income or interest earned by, or incremental to, a bond reserve fund due to the investment of it may be transferred by the authority to other funds or accounts of the authority to the extent the transfer does not reduce the amount of that bond reserve fund below the bond reserve fund requirement for it.

3. The authority shall not at any time issue bonds, secured in whole or in part by a bond reserve fund if, upon the issuance of the bonds, the amount in the bond reserve fund will be less than the bond reserve fund requirement for the fund, unless the authority at the time of issuance of the bonds deposits in the fund from the proceeds of the bonds issued or from other sources an amount which, together with the amount then in the fund will not be less than the bond reserve fund requirement for the fund. For the purposes of [this section](#), the term “*bond reserve fund requirement*” means, as of any particular date of computation, an amount of money, as provided in the resolutions of the authority authorizing the bonds with respect to which the fund is established, equal to not more than ten percent of the outstanding principal amount of bonds of the authority secured in whole or in part by the fund.

4. The authority shall cause to be delivered to the legislative fiscal committee within ninety days of the close of its fiscal year its annual report certified by an independent certified public accountant, who may be the accountant or a member of the firm of accountants who regularly audits the books and accounts of the authority, selected by the authority.

[C77, 79, 81, §220.27]

C93, §16.27

[2012 Acts, ch 1138, §16, 17; 2013 Acts, ch 30, §6](#)

#### **16.27A Powers relating to loans.**

Subject to any agreement with bondholders or noteholders, the authority may renegotiate a mortgage or secured loan or a loan to a lending institution in default, waive a default or consent to the modification of the terms of a mortgage or secured loan or a loan to a lending institution, forgive or forbear all or part of a mortgage or secured loan or a loan to a lending institution, and commence, prosecute, and enforce a judgment in any action, including but not limited to a foreclosure action, to protect or enforce any right conferred upon it by law, mortgage or secured loan agreement, contract, or other agreement, and in connection with any action, bid for and purchase the property or acquire or take possession of it, complete, administer, pay the principal of and interest on any obligations incurred in connection with the property, and dispose of and otherwise deal with the property in a manner the authority deems advisable to protect its interests.

[2014 Acts, ch 1080, §32, 78; 2015 Acts, ch 30, §20](#)

#### **16.28 Remedies of bondholders and noteholders.**

1. If the authority defaults in the payment of principal or interest on an issue of bonds or notes after they become due, whether at maturity or upon call for redemption, and the default continues for a period of thirty days, or if the authority fails or refuses to comply with the provisions of [this chapter](#), or defaults in an agreement made with the holders of an issue of bonds or notes, the holders of twenty-five percent in aggregate principal amount of bonds or notes of the issue then outstanding, by instrument filed in the office of the clerk of the county in which the principal office of the authority is located, and proved or acknowledged in the same manner as a deed to be recorded, may appoint a trustee to represent the holders of the bonds or notes for the purposes provided in [this section](#).

2. a. The authority or any trustee appointed under the indenture under which the bonds

are issued may, and upon written request of the holders of twenty-five percent in aggregate principal amount of the issue of bonds or notes then outstanding shall:

(1) Enforce all rights of the bondholders or noteholders, including the right to require the authority to carry out its agreements with the holders and to perform its duties under [this chapter](#).

(2) Bring suit upon the bonds or notes.

(3) By action require the authority to account as if it were the trustee of an express trust for the holders.

(4) By action enjoin any acts or things which are unlawful or in violation of the rights of the holders.

(5) Declare all the bonds or notes due and payable and if all defaults are made good then with the consent of the holders of twenty-five percent of the aggregate principal amount of the issue of bonds or notes then outstanding, annul the declaration and its consequences.

b. The bondholders or noteholders, to the extent provided in the resolution by which the bonds or notes were issued or in their agreement with the authority, may enforce any of the remedies in paragraph “a”, subparagraphs (1) through (5) or the remedies provided in those agreements for and on their own behalf.

3. The trustee shall also have and possess all powers necessary or appropriate for the exercise of functions specifically set forth or incident to the general representation of bondholders or noteholders in the enforcement and protection of their rights.

4. Before declaring the principal of bonds or notes due and payable, the trustee shall first give thirty days’ notice in writing to the governor, to the authority and to the attorney general of the state.

5. The district court has jurisdiction of any action by the trustee on behalf of bondholders or noteholders. The venue of the action shall be in the county in which the principal office of the authority is located.

[C77, 79, 81, §220.28; [82 Acts, ch 1187, §6](#)]

C93, §16.28

[2008 Acts, ch 1032, §130](#); [2017 Acts, ch 29, §17](#)

Referred to in [§16.26](#), [16.51](#), [16.57](#), [16.83](#), [16.84](#), [16.131](#), [34A.20](#), [260C.71](#)

### **16.29 Agreement of the state.**

The state pledges and agrees with the holders of any bonds or notes that the state will not limit or alter the rights vested in the authority to fulfill the terms of agreements made with the holders or in any way to impair the rights and remedies of the holders until the bonds or notes together with the interest on them, plus interest on unpaid installments of interest, and all costs and expenses in connection with an action by or on behalf of the holders are fully met and discharged. The authority may include this pledge and agreement of the state in any agreement with the holders of bonds or notes.

[2014 Acts, ch 1080, §33, 78](#)

### **16.30 Bonds and notes as legal investments.**

Bonds and notes of the authority are securities in which public officers, state departments and agencies, political subdivisions, insurance companies, and other persons carrying on an insurance business, banks, trust companies, savings associations, investment companies and other persons carrying on a banking business, administrators, executors, guardians, conservators, trustees and other fiduciaries, and other persons authorized to invest in bonds or other obligations of this state, may properly and legally invest funds including capital in their control or belonging to them. The bonds and notes are also securities which may be deposited with and may be received by public officers, state departments and agencies, and political subdivisions, for any purpose for which the deposit of bonds or other obligations of this state is authorized.

[C77, 79, 81, §220.30]

C93, §16.30

[2012 Acts, ch 1017, §41](#)

**16.31 Moneys of the authority.**

1. Moneys of the authority from whatever source derived, except as otherwise provided in [this chapter](#), shall be paid to the authority and shall be deposited in a bank or other financial institution designated by the authority. The moneys shall be withdrawn on the order of the person authorized by the authority. Deposits shall, if required by the authority, be secured in the manner determined by the authority. The auditor of state and the auditor’s legally authorized representatives may periodically examine the accounts and books of the authority, including its receipts, disbursements, contracts, leases, sinking funds, investments and any other records and papers relating to its financial standing, and the authority shall not be required to pay a fee for the examination.

2. The authority may contract with holders of its bonds or notes as to the custody, collection, security, investment, and payment of moneys of the authority, of moneys held in trust or otherwise for the payment of bonds or notes, and to carry out the contract. Moneys held in trust or otherwise for the payment of bonds or notes or in any way to secure bonds or notes and deposits of the moneys may be secured in the same manner as moneys of the authority, and banks and trust companies may give security for the deposits.

3. Subject to the provisions of any contract with bondholders or noteholders and to the approval of the director of the department of administrative services, the authority shall prescribe a system of accounts.

4. The authority shall submit to the governor, the auditor of state, the department of management, and the department of administrative services, within thirty days of its receipt by the authority, a copy of the report of every external examination of the books and accounts of the authority other than copies of the reports of examinations made by the auditor of state.

[C77, 79, 81, §220.31]

[88 Acts, ch 1158, §51](#)

C93, §16.31

[2003 Acts, ch 145, §286](#)

Referred to in [§16.133A](#), [16.153](#), [455B.295](#)

**16.32 Surplus moneys — loan and grant fund.**

1. Moneys declared by the authority to be surplus moneys which are not required to service bonds and notes issued by the authority, to pay administrative expenses of the authority, or to accumulate necessary operating or loss reserves, shall be used by the authority to provide grants, loans, subsidies, and services or assistance through programs authorized in [this chapter](#).

2. The authority may establish a loan and grant fund which may be comprised of the proceeds of appropriations, grants, contributions, surplus moneys transferred as provided in [this section](#), and repayment of authority loans made from such fund.

[2014 Acts, ch 1080, §34, 78](#)

**16.33 Assistance by state officers, agencies, and departments.** Repealed by 2014 Acts, ch 1080, §111, 114. See [§16.11](#).

SUBCHAPTER VII

HOUSING

PART 1

SPECIAL DEFINITION

**16.34 Liberal interpretation.** Repealed by 2014 Acts, ch 1080, §111, 114. See [§16.19](#).

**16.34A Special definition.**

As used in [this subchapter](#), unless the context otherwise requires, “*state housing credit ceiling*” means the state housing credit ceiling as defined in Internal Revenue Code §42(h)(3)(C).

[2014 Acts, ch 1080, §35, 78](#)

## PART 2

## ADMINISTRATION

**16.35 State housing credit ceiling allocation.**

1. The authority is designated the housing credit agency for the allowance of low-income housing credits under the state housing credit ceiling.

2. The authority shall adopt rules and allocation procedures which will ensure the maximum use of available tax credits in order to encourage development of low-income housing in the state. The authority shall consider the following factors in the adoption and application of the allocation rules:

- a. Timeliness of the application.
- b. Location of the proposed housing project.
- c. Relative need in the proposed area for low-income housing.
- d. Availability of low-income housing in the proposed area.
- e. Economic feasibility of the proposed project.
- f. Ability of the applicant to proceed to completion of the project in the calendar year for which the credit is sought.

3. The authority shall adopt rules specifying the application procedure and the allowance of low-income housing credits under the state housing credit ceiling.

[2014 Acts, ch 1080, §36, 78](#)

**16.36 Participation in federal housing assistance payments program.**

The authority shall participate in the housing assistance payments program under section 8 of the United States Housing Act of 1937, as amended by §201 of the Housing and Community Development Act of 1974, Pub. L. No. 93-383, codified at 42 U.S.C. §1437 et seq.

[2014 Acts, ch 1080, §37, 78](#)

**16.37 Solar and renewable energy systems loans.** Repealed by 2014 Acts, ch 1080, §111, 114.

## PART 3

## LENDING INSTITUTIONS

**16.38 Loans to lending institutions.**

1. The authority may make, and contract to make, loans to lending institutions on terms and conditions as the authority determines are reasonably related to protecting the security of the authority’s investment and to implementing the purposes of [this chapter](#), and subject to [this section](#). All lending institutions are authorized to borrow from the authority in accordance with the provisions of [this section](#) and the rules of the authority.

2. The authority shall require as a condition of each loan to a lending institution that the lending institution, within a reasonable period after receipt of the loan proceeds as the authority prescribes by rule, shall have entered into written commitments to make, and, within a reasonable period thereafter as the authority prescribes by rule, shall have disbursed the loan proceeds in new mortgage loans to low or moderate income families in an aggregate principal amount equal to the amount of the loan. New mortgage loans shall have terms and conditions as the authority prescribes by rules which are reasonably related to implementing the purposes of [this chapter](#).

3. The authority shall require the submission to the authority by each lending institution to which the authority has made a loan, of evidence satisfactory to the authority of the making of new mortgage loans to low or moderate income families as required by [this section](#), and in that connection may, through its members, employees, or agents, inspect the books and records of a lending institution.

4. Compliance by a lending institution with the terms of its agreement with the authority with respect to the making of new mortgage loans to low or moderate income families may be enforced by decree of any district court of this state. The authority may require as a condition of a loan to a national banking association or a federally chartered savings and loan association, the consent of the association to the jurisdiction of courts of this state over any such proceeding. The authority may also require, as a condition of a loan to a lending institution, agreement by the lending institution to the payment of penalties to the authority for violation by the lending institution of its agreement with the authority, and the penalties shall be recoverable at the suit of the authority.

5. The authority shall require that each lending institution receiving a loan pursuant to [this section](#) shall issue and deliver to the authority an evidence of its indebtedness to the authority which shall constitute a general obligation of the lending institution and shall bear a date, mature at a time, be subject to prepayment, and contain other provisions consistent with [this section](#) and reasonably related to protecting the security of the authority's investment, as the authority determines.

6. Notwithstanding any other provision of [this section](#) to the contrary, the interest rate and other terms of loans to lending institutions made from the proceeds of an issue of bonds or notes of the authority shall be at least sufficient to assure the payment of the bonds or notes and the interest on them as they become due.

7. The authority shall require that loans to lending institutions are additionally secured as to payment of both principal and interest by a pledge of and lien upon collateral security by special escrow funds or other forms of guaranty and in such amounts and forms as the authority shall by resolution determine to be necessary to assure the payment of the loans and the interest thereon as they become due. Collateral security shall consist of direct obligations of, or obligations guaranteed by, the United States or one of its agencies, obligations satisfactory to the authority which are issued by other federal agencies, direct obligations of or obligations guaranteed by a state or a political subdivision of a state, or investment quality obligations approved by the authority.

8. The authority may require that collateral for loans be deposited with a bank, trust company, or other financial institution acceptable to the authority located in this state and designated by the authority as custodian. In the absence of such a requirement, each lending institution shall enter into an agreement with the authority containing provisions as the authority deems necessary to adequately identify and maintain the collateral, service the collateral, and require the lending institution to hold the collateral as an agent for the authority and be accountable to the authority as the trustee of an express trust for the application and disposition of the collateral and the income from it. The authority may also establish additional requirements as the authority deems necessary with respect to the pledging, assigning, setting aside, or holding of collateral and the making of substitutions for it or additions to it and the disposition of income and receipts from it.

9. The authority may require as a condition of loans to lending institutions, any representations and warranties the authority determines are necessary to secure the loans and carry out the purposes of [this section](#).

10. If a provision of [this section](#) is inconsistent with a provision of law of this state governing lending institutions, the provision of [this section](#) controls for the purposes of [this section](#).

2014 Acts, ch 1080, §38, 78

### 16.39 Purchase of mortgage loans.

1. The authority may purchase, and make advance commitments to purchase, mortgage loans from lending institutions at prices and upon terms and conditions as the authority determines subject to [this section](#). However, the total purchase price for all mortgage loans

which the authority commits to purchase from a lending institution at any one time shall not exceed the total of the unpaid principal balances of the mortgage loans purchased. Lending institutions are authorized to sell mortgage loans to the authority in accordance with the provisions of [this section](#) and the rules of the authority.

2. The authority shall require as a condition of purchase of mortgage loans from lending institutions that the lending institutions, within a reasonable period after receipt of the purchase price as the authority prescribes by rule, shall enter into written commitments to loan and, within a reasonable period thereafter as the authority prescribes by rule, shall loan an amount equal to the entire purchase price of the mortgage loans, on new mortgage loans to low or moderate income families or certify that mortgage loans purchased are mortgage loans made to low or moderate income families. New mortgage loans to be made by lending institutions shall have terms and conditions as the authority prescribes by rule. The authority may make a commitment to purchase mortgage loans from lending institutions in advance of the time such loans are made by lending institutions. The authority shall require as a condition of such commitment that lending institutions certify in writing that all mortgage loans represented by the commitment will be made to low or moderate income families, and that other authority specifications will be complied with.

3. The authority shall require the submission to the authority by each lending institution from which the authority has purchased mortgages, of evidence satisfactory to the authority of the making of new mortgage loans to low or moderate income families as required by [this section](#) and in that connection may, through its members, employees, or agents, inspect the books and records of a lending institution.

4. Compliance by a lending institution with the terms of its agreement with the authority with respect to the making of new mortgage loans to low or moderate income families may be enforced by decree of any district court of this state. The authority may require as a condition of purchase of mortgage loans from any national banking association or federally chartered savings and loan association, the consent of the association to the jurisdiction of courts of this state over any such proceeding. The authority may also require as a condition of the authority's purchase of mortgage loans from a lending institution, agreement by the lending institution to the payment of penalties to the authority for violation by the lending institution of its agreement with the authority, and the penalties shall be recoverable at the suit of the authority.

5. The authority may require as a condition of purchase of a mortgage loan from a lending institution that the lending institution represent and warrant to the authority that:

a. The unpaid principal balance of the mortgage loan and the interest rate on it have been accurately stated to the authority.

b. The amount of the unpaid principal balance is justly due and owing.

c. The lending institution has no notice of the existence of any counterclaim, offset, or defense asserted by the mortgagor or the mortgagor's successor in interest.

d. The mortgage loan is evidenced by a bond or promissory note and a mortgage which has been properly recorded with the appropriate public official.

e. The mortgage constitutes a valid first lien on the real property described to the authority subject only to real property taxes not yet due, installments of assessments not yet due, and easements and restrictions of record which do not adversely affect, to a material degree, the use or value of the real property or improvements on it.

f. The mortgagor is not now in default in the payment of any installment of principal or interest, escrow funds, or real property taxes, or otherwise in the performance of obligations under the mortgage documents and has not to the knowledge of the lending institution been in default in the performance of any obligation under the mortgage for a period of longer than sixty days during the life of the mortgage.

g. The improvements to the mortgaged real property are covered by a valid and subsisting policy of insurance issued by a company authorized to issue such policies in this state and providing fire and extended coverage in amounts as the authority prescribes by rule.

h. The mortgage loan meets the prevailing investment quality standards for mortgage loans in this state.

6. A lending institution is liable to the authority for damages suffered by the authority

by reason of the untruth of a representation or the breach of a warranty and, in the event that a representation proves to be untrue when made or in the event of a breach of warranty, the lending institution shall, at the option of the authority, repurchase the mortgage loan for the original purchase price adjusted for amounts subsequently paid on it, as the authority determines.

7. The authority shall require the recording of an assignment of a mortgage loan purchased by the authority from a lending institution and shall not be required to notify the mortgagor of the authority's purchase of the mortgage loan. The authority shall not be required to inspect or take possession of the mortgage documents if the mortgage lender from which the mortgage loan is purchased by the authority enters into a contract to service the mortgage loan and account to the authority for it.

8. If a provision of [this section](#) is inconsistent with another provision of law of this state governing lending institutions, the provision of [this section](#) controls for the purposes of [this section](#).

[2014 Acts, ch 1080, §39, 78](#)

#### PART 4

#### SPECIAL FUNDS

##### **16.40 Housing assistance fund.**

1. A housing assistance fund is created within the authority. The moneys in the fund shall be used by the authority to protect, preserve, create, and improve access to safe and affordable housing. The authority shall establish programs utilizing the fund by administrative rules adopted pursuant to [chapter 17A](#) and provide the requirements for the proper administration of the programs.

2. Moneys in the fund, including moneys which are annually appropriated to the authority, may be allocated for any use authorized by [this chapter](#) unless otherwise specified.

3. The authority may use moneys in the fund to provide financial assistance to a housing sponsor or an individual in the form of a loan, loan guaranty, grant, or interest subsidy, or by other means under the general powers of the authority.

4. Moneys in the fund may be used for but are not limited to the following purposes:

a. Home ownership programs including all of the following:

(1) Authority bond issues and loans to facilitate and ensure equal access across the state to funds for first-time homebuyers programs.

(2) Home ownership incentive programs not restricted to first-time homebuyers, including down payment and closing costs assistance.

(3) Programs for home maintenance and repair, new construction, acquisition, and rehabilitation.

(4) Support for home ownership education and counseling programs.

b. Rental programs, including rental subsidy, rehabilitation, preservation, new construction, and acquisition.

c. Programs that provide a continuum of housing services, including construction, operation, and maintenance of homeless shelters, domestic violence shelters, and transitional housing and supportive services to lower income and very low-income families.

d. Technical assistance programs that increase the capacity of for-profit and nonprofit housing entities.

5. Notwithstanding [section 8.33](#), moneys in the housing assistance fund at the end of each fiscal year shall not revert to the general fund or any other fund but shall remain in the housing assistance fund for expenditure for subsequent fiscal years.

6. The authority may establish, by rule adopted pursuant to [chapter 17A](#), an annual administration fee to be charged to the housing assistance fund. The annual fee shall not exceed four percent of the moneys, loans, or other assets held in the fund.

7. During each regular session of the general assembly, the authority shall present to the appropriate joint appropriations subcommittee a report concerning the total estimated



resources to be available for expenditure under [this section](#) for the next fiscal year and the amount the authority proposes to allocate to each program created pursuant to [this section](#).

[85 Acts, ch 252, §29](#)

CS85, §220.40

[88 Acts, ch 1145, §1](#)

C93, §16.40

[97 Acts, ch 201, §18](#); [2007 Acts, ch 54, §24](#); [2014 Acts, ch 1080, §40, 78](#)

Referred to in [§16.56, 16.91](#)

#### **16.41 Shelter assistance fund.**

1. A shelter assistance fund is created as a revolving fund in the state treasury under the control of the authority consisting of any moneys appropriated by the general assembly and received under [section 428A.8](#) for costs of operations of shelters for the homeless and domestic violence shelters, essential services for the homeless, and evaluation and reporting of services for the homeless. Each fiscal year, moneys in the fund, in an amount equal to not more than three percent of the total moneys distributed as grants from the fund during the fiscal year, may be used for purposes of administering the fund.

2. The authority shall award grants to qualified applicants on a competitive basis. The authority shall establish application procedures, requirements, priorities, and maximum and minimum grant award amounts for each grant competition.

3. Notwithstanding [section 8.33](#), all moneys in the shelter assistance fund which remain unexpended or unobligated at the close of the fiscal year shall not revert to the general fund of the state but shall remain available for expenditure for subsequent fiscal years.

[2010 Acts, ch 1031, §265](#); [2011 Acts, ch 130, §28, 71](#); [2015 Acts, ch 25, §2, 3](#); [2017 Acts, ch 33, §2](#)

Referred to in [§428A.8](#)

**16.42 Inconsistent provisions.** Repealed by [2014 Acts, ch 1080, §111, 114](#). See [§16.18](#).

**16.43 Economic distress areas named.** Repealed by [2007 Acts, ch 54, §45](#). See [§16.5C](#).

**16.44 Application of funds from sales of obligations.** Repealed by [2014 Acts, ch 1080, §111, 114](#). See [§16.22](#).

#### **16.45 Manufactured housing program fund.**

1. A manufactured housing program fund is created within the authority to further the goal of providing affordable housing to Iowans. The moneys in the fund are to be used for the purpose of providing funding to financial institutions or other lenders to finance the purchase by an individual of a manufactured home that is in compliance with all laws, rules, and standards that are applicable to manufactured homes and manufactured housing. The manufactured housing program fund is designed exclusively for manufactured homes sited on leased land.

2. *a.* Moneys received by the authority for the manufactured housing program fund, transferred by the authority for deposit in the fund, appropriated to the fund, and any other moneys available to and obtained or accepted by the authority for placement in the fund shall be deposited in the fund and are appropriated to the authority to be used as set forth in [this section](#).

*b.* Notwithstanding any provision of [section 16.46, 16.47, 16.48, or 16.49](#) to the contrary, the authority shall be authorized to transfer for deposit in the manufactured housing program fund for any fiscal year any unobligated and unencumbered moneys in the funds created in [sections 16.46, 16.47, 16.48, and 16.49](#) from the prior fiscal year. However, the maximum amount of moneys that may be so transferred for any fiscal year shall not exceed the lesser of one million dollars or an amount equal to the total amount of any unobligated and unencumbered moneys in the funds available for transfer from the previous fiscal year reduced by one million dollars.

*c.* Additionally, recapture of awards and other repayments to the fund shall be deposited in the fund and are appropriated to the authority to be used as set forth in [this section](#).

Notwithstanding [section 8.33](#), unencumbered or unobligated moneys remaining in the fund on June 30 of any fiscal year shall not revert to any other fund but shall be available for expenditure in subsequent years. However, any unencumbered or unobligated moneys remaining in the fund on June 30 of any fiscal year that were transferred to the fund as provided in paragraph “b” shall revert to the fund from which the transfer was made. Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys in the fund or appropriated to the fund shall be credited to the fund.

3. The authority shall allocate moneys available in the manufactured housing program fund to financial institutions or other lenders to be used as set forth in [subsection 1](#). The authority may provide funding to financial institutions or other lenders in the form of loans, linked deposits, guarantees, reserve funds, or any other prudent financial instruments.

4. The authority shall adopt rules pursuant to [chapter 17A](#) necessary to implement and administer [this section](#), including but not limited to eligibility requirements for financial institutions or other lenders to receive funding through the manufactured housing program fund.

5. For purposes of [this section](#), “*financial institutions*” means the same as defined in [section 12C.1](#), “*lender*” means a lender as defined in [section 537.1301](#) that is licensed by the banking division of the department of commerce, and “*manufactured home*” or “*manufactured housing*” means the same as the definition of manufactured home in [section 435.1](#).

2018 Acts, ch 1128, §1

#### **16.46 Senior living revolving loan program fund.**

1. A senior living revolving loan program fund is created within the authority. The moneys in the senior living revolving loan program fund shall be used by the authority for the development and operation of a revolving loan program to provide financing to construct affordable assisted living and service-enriched affordable housing for seniors and persons with disabilities, including through new construction or acquisition and rehabilitation.

2. Moneys transferred by the authority for deposit in the senior living revolving loan program fund, moneys appropriated to the senior living revolving loan program, and any other moneys available to and obtained or accepted by the authority for placement in the senior living revolving loan program fund shall be deposited in the fund. Additionally, payment of interest, recaptures of awards, and other repayments to the senior living revolving loan program fund shall be deposited in the fund. Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys in the senior living revolving loan program fund shall be credited to the fund. Notwithstanding [section 8.33](#), moneys that remain unencumbered or unobligated at the end of the fiscal year shall not revert but shall remain available for the same purpose in the succeeding fiscal year.

3. The authority shall annually allocate moneys available in the senior living revolving loan program fund for the development of affordable assisted living and service-enriched affordable housing for seniors and persons with disabilities. The authority shall develop a joint application process for the allocation of federal low-income housing tax credits and funds available under [this section](#). Moneys allocated to such developments may be in the form of loans, grants, or a combination of loans and grants.

2014 Acts, ch 1080, §41, 78

Referred to in [§16.45](#)

For provisions relating to financial assistance to border county hospitals, see [2014 Acts, ch 1132, §42, 43](#)

#### **16.47 Home and community-based services revolving loan program fund.**

1. A home and community-based services revolving loan program fund is created within the authority to further the goals specified in [section 231.3](#), adult day services, case management services, options counseling, family caregiving, homemaker services, respite services, congregate and home delivered meals, health and wellness, health screening, and nutritional assessments. The moneys in the home and community-based services revolving loan program fund shall be used by the authority for the development and operation of a revolving loan program to develop and expand facilities and infrastructure that provide adult

day services, case management services, options counseling, family caregiving, homemaker services, respite services, congregate and home delivered meals, and programming space for health and wellness, health screening, and nutritional assessments that address the needs of persons with low incomes.

2. Moneys transferred by the authority for deposit in the home and community-based services revolving loan program fund, moneys appropriated to the home and community-based services revolving loan program, and any other moneys available to and obtained or accepted by the authority for placement in the home and community-based services revolving loan program fund shall be deposited in the fund. Additionally, payment of interest, recaptures of awards, and other repayments to the home and community-based services revolving loan program fund shall be deposited in the fund. Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys in the home and community-based services revolving loan program fund shall be credited to the fund. Notwithstanding [section 8.33](#), moneys that remain unencumbered or unobligated at the end of the fiscal year shall not revert but shall remain available for the same purpose in the succeeding fiscal year.

3. The authority, in cooperation with the department on aging, shall annually allocate moneys available in the home and community-based services revolving loan program fund to develop and expand facilities and infrastructure that provide adult day services, respite services, congregate meals, and programming space for health and wellness, health screening, and nutritional assessments that address the needs of persons with low incomes.

[2014 Acts, ch 1080, §42, 78; 2020 Acts, ch 1063, §11](#)

Referred to in [§16.45](#)

For provisions relating to financial assistance to border county hospitals, see [2014 Acts, ch 1132, §42, 43](#)

Subsection 1 amended

#### **16.48 Transitional housing revolving loan program fund.**

1. A transitional housing revolving loan program fund is created within the authority to further the availability of affordable housing for parents that are reuniting with their children while completing or participating in substance abuse treatment. The moneys in the fund are annually appropriated to the authority to be used for the development and operation of a revolving loan program to provide financing to construct affordable transitional housing, including through new construction or acquisition and rehabilitation of existing housing. The housing provided shall be geographically located in close proximity to licensed substance abuse treatment programs. Preference in funding shall be given to projects that reunite mothers with the mothers' children.

2. Moneys transferred by the authority for deposit in the transitional housing revolving loan program fund, moneys appropriated to the transitional housing revolving loan program, and any other moneys available to and obtained or accepted by the authority for placement in the fund shall be deposited in the fund. Additionally, payment of interest, recaptures of awards, and other repayments to the transitional housing revolving loan program fund shall be credited to the fund. Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys in the transitional housing revolving loan program fund shall be credited to the fund. Notwithstanding [section 8.33](#), moneys that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for the same purpose in the succeeding fiscal year.

3. The authority shall annually allocate moneys available in the transitional housing revolving loan program fund for the development of affordable transitional housing for parents that are reuniting with the parents' children while completing or participating in substance abuse treatment. The authority shall develop a joint application process for the allocation of federal low-income housing tax credits and the funds available under [this section](#). Moneys allocated to such projects may be in the form of loans, grants, or a combination of loans and grants.

[2014 Acts, ch 1080, §43, 78](#)

Referred to in [§16.45](#)

For provisions relating to financial assistance to border county hospitals, see [2014 Acts, ch 1132, §42, 43](#)

**16.49 Community housing and services for persons with disabilities revolving loan program fund.**

1. A community housing and services for persons with disabilities revolving loan program fund is created within the authority to further the availability of affordable housing and supportive services for Medicaid waiver-eligible individuals with behaviors that provide significant barriers to accessing traditional rental and supportive services opportunities. The moneys in the fund are annually appropriated to the authority to be used for the development and operation of a revolving loan program to provide financing to construct affordable permanent supportive housing or develop infrastructure in which to provide supportive services, including through new construction, acquisition and rehabilitation of existing housing or infrastructure, or conversion or adaptive reuse.

2. Moneys transferred by the authority for deposit in the community housing and services for persons with disabilities revolving loan program fund, moneys appropriated to the community housing and services for persons with disabilities revolving loan program, and any other moneys available to and obtained or accepted by the authority for placement in the fund shall be credited to the fund. Additionally, payment of interest, recaptures of awards, and other repayments to the community housing and services for persons with disabilities revolving loan program fund shall be credited to the fund. Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys in the fund shall be credited to the fund. Notwithstanding [section 8.33](#), moneys credited to the fund from any other fund that remain unencumbered or unobligated at the close of the fiscal year shall not revert to the other fund.

3. *a.* The authority shall annually allocate moneys available in the fund for the development of permanent supportive housing for Medicaid waiver-eligible individuals. The authority shall develop a joint application process for the allocation of United States housing and urban development HOME investment partnerships program funding and the funds available under [this section](#). Moneys allocated to such projects may be in the form of loans, forgivable loans, or a combination of loans and forgivable loans.

*b.* The authority shall annually allocate moneys available in the fund for the development of infrastructure in which to provide supportive services for Medicaid waiver-eligible individuals who meet the psychiatric medical institution for children level of care. Moneys allocated to such projects may be in the form of loans, forgivable loans, or a combination of loans and forgivable loans.

4. *a.* A project shall demonstrate written approval of the project by the department of human services to the authority prior to application for funding under [this section](#).

*b.* In order to be approved by the department of human services for application for funding for development of permanent supportive housing under [this section](#), a project shall include all of the following components:

(1) Provision of services to any of the following Medicaid waiver-eligible individuals:

(a) Individuals who are currently underserved in community placements, including individuals who are physically aggressive or have behaviors that are difficult to manage or individuals who meet the psychiatric medical institution for children level of care.

(b) Individuals who are currently residing in out-of-state facilities.

(c) Individuals who are currently receiving care in a licensed health care facility.

(2) A plan to provide each individual with crisis stabilization services to ensure that the individual's behavioral issues are appropriately addressed by the provider.

(3) Policies and procedures that prohibit discharge of the individual from the waiver services provided by the project provider unless an alternative placement that is acceptable to the client or the client's guardian is identified.

*c.* In order to be approved by the department of human services for application for funding for development of infrastructure in which to provide supportive services under [this section](#), a project shall include all of the following components:

(1) Provision of services to Medicaid waiver-eligible individuals who meet the psychiatric medical institution for children level of care.

(2) Policies and procedures that prohibit discharge of the individual from the waiver services provided by the project provider unless an alternative placement that is acceptable to the client or the client's guardian is identified.

d. Housing provided through a project under [this section](#) is exempt from the requirements of [chapter 1350](#).

[2014 Acts, ch 1080, §44, 78](#)

Referred to in [§16.45](#)

For provisions relating to financial assistance to border county hospitals, see [2014 Acts, ch 1132, §42, 43](#)

### **16.50 Workforce housing assistance grant fund.**

1. A workforce housing assistance grant fund is created under the control of the authority. The fund shall consist of appropriations made to the fund. The fund shall be separate from the general fund of the state and the balance in the fund shall not be considered part of the balance of the general fund of the state. However, the fund shall be considered a special account for the purposes of [section 8.53](#), relating to generally accepted accounting principles.

2. Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys in the fund shall be credited to the fund.

3. a. Moneys in the fund in a fiscal year are appropriated to the authority to be used for grants for projects that create workforce housing or for projects that include adaptive reuse of buildings for workforce housing. For purposes of [this section](#), “workforce housing” means housing that is affordable for a household whose income does not exceed one hundred twenty percent of the median income for the area.

b. Priority shall be given to the following types of projects:

(1) Projects that are eligible for historic preservation tax credits under [chapter 404A](#).

(2) Projects for the construction of new single-family dwellings that incorporate one or more energy-efficient measures. The authority shall by rule identify the types of energy-efficient measures that will qualify a project for priority under this subparagraph.

(3) Projects that utilize new markets tax credits, established under the federal Community Renewal Tax Relief Act of 2000, Pub. L. No. 106-554, 114 Stat. 2763A, and undertaken by a qualified community development entity, as defined in the federal Act.

(4) Projects that are located in an area where other state funding has been used to support the creation of new jobs.

c. In any fiscal year, an area shall not receive grants totaling more than twenty-five percent of the moneys expended from the fund in that fiscal year. For purposes of this paragraph, “area” means the same area used to determine the median income under paragraph “a”.

4. Annually, on or before January 15 of each year, the authority shall report to the legislative services agency and the department of management the status of all projects that received moneys from the workforce housing assistance grant fund. The report shall include a description of each project, the progress of work completed, the total estimated cost of each project, a list of all revenue sources being used to fund each project, the amount of funds expended, the amount of funds obligated, and the date each project was completed or an estimated completion date of each project, where applicable.

5. Payment of moneys from appropriations from the fund shall be made in a manner that does not adversely affect the tax exempt status of any outstanding bonds issued by the treasurer of state pursuant to [section 12.87](#).

[2014 Acts, ch 1080, §45, 78; 2015 Acts, ch 30, §21; 2017 Acts, ch 29, §18](#)

## PART 5

### ADDITIONAL PROGRAMS

#### **16.51 Additional loan program.**

1. The authority may enter into a loan agreement with a housing sponsor to finance in whole or in part the acquisition of housing by construction or purchase. The repayment obligation of the housing sponsor may be unsecured, secured by a mortgage or security agreement, or secured by other security as the authority deems advisable, and may be evidenced by one or more notes of the housing sponsor. The loan agreement may contain terms and conditions the authority deems advisable.

2. The authority may issue its bonds and notes for the purposes set forth in [subsection 1](#)

and may enter into a lending agreement or purchase agreement with one or more bondholders or noteholders containing the terms and conditions of the repayment of and the security for the bonds or notes. The authority and the bondholders or noteholders may enter into an agreement to provide for any of the following:

a. That the proceeds of the bonds and notes and the investments of the proceeds may be received, held, and disbursed by the bondholders or noteholders, or by a trustee or agent designated by the authority.

b. That the bondholders or noteholders or a trustee or agent designated by the authority, may collect, invest, and apply the amounts payable under the loan agreement or any other security instrument securing the debt obligation of the housing sponsor.

c. That the bondholders or noteholders may enforce the remedies provided in the loan agreement or security instrument on their own behalf without the appointment or designation of a trustee and if there is a default in the principal of or interest on the bonds or notes or in the performance of any agreement contained in the agreement or instrument, the payment or performance may be enforced in accordance with the provisions contained in the agreement or instrument.

d. That if there is a default in the payment of the principal or interest on a mortgage or security instrument or a violation of an agreement contained in the mortgage or security instrument, the mortgage or security instrument may be foreclosed or enforced and any collateral sold under proceedings or actions permitted by law and a trustee under the mortgage or security agreement or the holder of any bonds or notes secured thereby may become a purchaser if it is the highest bidder.

e. Other terms and conditions.

3. The authority may provide in the resolution authorizing the issuance of the bonds or notes that the principal and interest shall be limited obligations payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the housing sponsor, and that the principal and interest does not constitute an indebtedness of the authority or a charge against its general credit or general fund.

4. The powers granted the authority under [this section](#) are in addition to other powers contained in [this chapter](#). All other provisions of [this chapter](#), except [section 16.28, subsection 4](#), apply to bonds or notes issued pursuant to and powers granted to the authority under [this section](#) except to the extent that they are inconsistent with [this section](#).

[82 Acts, ch 1187, §7]

C83, §220.51

83 Acts, ch 124, §5

C93, §16.51

**16.52 State housing credit ceiling allocation.** Repealed by 2014 Acts, ch 1080, §111, 114. See [§16.35](#).

**16.53 Residential reverse annuity mortgage model program.**

The authority may develop a model reverse annuity mortgage conforming to the requirements of [this chapter](#), and may offer reverse annuity mortgages to qualified participants.

89 Acts, ch 267, §10

CS89, §220.53

C93, §16.53

2007 Acts, ch 54, §25

Iowa finance authority authorized to issue bonds for the residential reverse annuity mortgage model program, to be repaid from program proceeds; 89 Acts, ch 267, §11

**16.54 Home ownership assistance program for military members.**

1. For the purposes of [this section](#), “eligible member of the armed forces of the United States” or “eligible service member” means a person who is or was, if discharged under honorable conditions, a member of the national guard, or a reserve or regular component of the armed forces of the United States, who has served at least ninety days of active duty service beginning on or after September 11, 2001, or during the period of the Persian Gulf

Conflict, beginning August 2, 1990, and ending April 6, 1991. “*Eligible member of the armed forces of the United States*” or “*eligible service member*” also means a former member of the national guard, or a reserve or regular component of the armed forces of the United States, who was honorably discharged due to injuries incurred while on federal active duty beginning on or after September 11, 2001, or during the period of the Persian Gulf Conflict, beginning August 2, 1990, and ending April 6, 1991, that precluded completion of a minimum aggregate of ninety days of federal active duty.

2. The home ownership assistance program is established to continue the program implemented pursuant to 2005 Iowa Acts, ch. 161, §1, as amended by 2005 Iowa Acts, ch. 115, §37, and continued in accordance with 2006 Iowa Acts, ch. 1167, §3 and 4, and other appropriations, to provide financial assistance to eligible members of the armed forces of the United States to be used for purchasing primary residences, including but not limited to manufactured homes on leased land, in the state of Iowa.

3. The program shall be administered by the authority and shall provide loans, grants, or other assistance to eligible service members. In the event an eligible service member is deceased, the surviving spouse of the eligible member shall be eligible for assistance under the program, subject to the surviving spouse meeting the program’s eligibility requirements other than the military service requirement. In addition, a person eligible for the program under [this section](#) may participate in other loan and grant programs of the authority, provided the person meets the requirements of those programs.

4. To qualify for a loan, grant, or other assistance under the home ownership assistance program, the following requirements, if applicable, shall be met:

a. The person eligible for the program shall, for financed home purchases that close on or after July 1, 2008, use a lender that participates in the authority’s first mortgage financing programs for homebuyers or a lender approved by the authority under [subsection 5](#).

b. (1) For financed home purchases that close on or after July 1, 2008, the eligible person shall participate, if eligible to participate, in one of the authority’s first mortgage financing programs for homebuyers.

(2) Notwithstanding subparagraph (1), an eligible service member who qualifies for one of the authority’s first mortgage financing programs for homebuyers may use a lender that does not participate in the authority’s first mortgage financing programs for homebuyers if such lender is approved by the authority under [subsection 5](#). For financed home purchases that close on or after July 1, 2014, an eligible service member who qualifies for one of the authority’s first mortgage financing programs may accept financing other than that available under the authority’s first mortgage financing programs for homebuyers if all of the following apply:

(a) The financing is offered by a lender that participates in one of the authority’s first mortgage financing programs for homebuyers or by a lender approved pursuant to [subsection 5](#).

(b) The authority determines that the offered financing would be economically feasible and financially advantageous for the eligible service member.

c. A title guaranty certificate shall be issued for the property being purchased under the program.

5. a. A mortgage lender maintaining an office in the state that does not participate in the authority’s programs for homebuyers may submit an application to the authority for approval to provide a mortgage loan or other financing under the home ownership assistance program or another homebuyer program, if applicable pursuant to [subsection 4](#), paragraph “b”. The authority shall prescribe a form for such applications.

b. The authority shall by rule establish criteria for the review and approval of applications submitted under [this subsection](#), including criteria for the approval of a mortgage lender that offers an eligible person a lower annual percentage rate than the annual percentage rates available from lenders that participate in the authority’s applicable programs for homebuyers.

c. The authority may determine and collect a reasonable application fee for each application submitted under [this subsection](#). The application fees collected under [this subsection](#) shall be used exclusively for costs associated with the review and approval of applications submitted under [this subsection](#).

6. The authority shall adopt rules for administering the program. The rules may provide for limiting the period of time for which an award of funds under the program shall be reserved for an eligible person pending the closing of a home purchase and compliance with all program requirements. Implementation of the program shall be limited to the extent of the amount appropriated or otherwise made available for purposes of the program.

7. The department of veterans affairs shall support the program by providing eligibility determinations and other program assistance requested by the authority.

2008 Acts, ch 1120, §1; 2010 Acts, ch 1089, §1, 2; 2012 Acts, ch 1072, §5; 2014 Acts, ch 1026, §143; 2014 Acts, ch 1116, §55, 56; 2018 Acts, ch 1128, §2

#### **16.55 Home and community-based services rent subsidy program.**

The authority shall establish and administer a home and community-based services rent subsidy program. Under the program, the authority shall provide rent subsidies to those persons who are approved participants under a home and community-based services Medicaid waiver, and to those individuals who are approved participants in the federal money follows the person grant program under the medical assistance program. If the authority utilizes a waiting list for purposes of the program, the authority shall give priority to a person participating in the state's money follows the person partnership for community integration project who has been assigned to work with a transition specialist.

2017 Acts, ch 33, §3

#### **16.56 Jumpstart housing assistance program.**

1. As used in [this section](#), unless the context otherwise requires:

a. “*Disaster-affected home*” means a primary residence that was destroyed or damaged due to a natural disaster occurring after May 24, 2008, and before August 14, 2008.

b. “*Local government participant*” means the cities of Ames, Cedar Falls, Cedar Rapids, Council Bluffs, Davenport, Des Moines, Dubuque, Iowa City, Waterloo, and West Des Moines; a council of governments whose territory includes at least one county that was declared a disaster area by the president of the United States after May 24, 2008, and before August 14, 2008; and any county that is not part of any council of governments and was declared a disaster area by the president of the United States after May 24, 2008, and before August 14, 2008.

2. The authority shall establish and administer a jumpstart housing assistance program. Under the program, the authority shall provide grants to local government participants for purposes of distributing the moneys to eligible residents for eligible purposes which relate to disaster-affected homes.

3. An eligible resident is a person residing in a disaster-affected home who is the owner of record of a right, title, or interest in the disaster-affected home and who has been approved by the federal emergency management agency for housing assistance. An eligible resident must have a family income equal to or less than one hundred fifty percent of the area median family income.

4. Eligible purposes include forgivable loans for down payment assistance, emergency housing repair or rehabilitation, and interim mortgage assistance. An eligible resident who receives a forgivable loan may also receive energy efficiency assistance which shall be added to the principal of the forgivable loan.

5. A local government participant may retain a portion of the grant moneys for administrative purposes as provided in a grant agreement between the authority and the local government participant.

6. Any money paid to a local government participant by an eligible resident shall be remitted to the authority for deposit in the housing assistance fund created in [section 16.40](#).

7. As determined by the authority, unused or unobligated moneys may be reclaimed and reallocated by the authority to other local government participants.

2014 Acts, ch 1080, §46, 78

#### **16.57 Residential treatment facilities.**

1. The authority may issue its bonds and notes and loan the proceeds of the bonds or



notes to a nonprofit corporation for the purpose of financing the acquisition or construction of residential housing or treatment facilities serving juveniles or persons with disabilities.

2. The authority may enter into a loan agreement with a nonprofit corporation for the purpose of financing the acquisition or construction of residential housing or treatment facilities serving juveniles or persons with disabilities and shall provide for payment of the loan and security for the loan as the authority deems advisable.

3. In the resolution authorizing the issuance of the bonds or notes pursuant to [this section](#), the authority may provide that the related principal and interest are limited obligations payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the nonprofit corporation, and the principal or interest does not constitute an indebtedness of the authority or a charge against the authority's general credit or general fund.

4. The powers granted the authority under [this section](#) are in addition to the authority's other powers under [this chapter](#). All other provisions of [this chapter](#), except [section 16.28, subsection 4](#), apply to bonds or notes issued pursuant to, and powers granted to the authority under [this section](#), except to the extent the provisions are inconsistent with [this section](#).

[2014 Acts, ch 1080, §47, 78](#)

Referred to in [§237.14](#)

## SUBCHAPTER VIII

### AGRICULTURAL DEVELOPMENT

Referred to in [§7C.4A, 16.1, 16.2B, 16.2C, 16.4B, 16.5D, 16.7, 16.17, 502.201](#)

#### PART 1

#### GENERAL

#### **16.58 Definitions.**

As used in [this subchapter](#), unless the context otherwise requires:

1. "Agricultural assets" means agricultural land, depreciable agricultural property, crops, or livestock.
2. "Agricultural improvements" means any improvements, buildings, structures, or fixtures suitable for use in farming which are located on agricultural land.
3. "Agricultural land" means land suitable for use in farming.
4. "Agricultural producer" means a person that engages or wishes to engage or intends to engage in the business of producing and marketing agricultural produce in this state.
5. "Bankhead-Jones Farm Tenant Act" means the Act cited as 50 Stat. 522 (1937), formerly codified as 7 U.S.C. §1000 et seq., repealed by Pub. L. No. 87-128 (1961).
6. "Beginning farmer" means an individual, partnership, family farm corporation, or family farm limited liability company, with a low or moderate net worth that engages in farming or wishes to engage in farming.
7. "Family farm corporation" means the same as defined in [section 9H.1](#).
8. "Family farm limited liability company" means the same as defined in [section 9H.1](#).
9. "Farming" means the cultivation of land for the production of agricultural crops, the raising of poultry, the production of eggs, the production of milk, the production of fruit or other horticultural crops, grazing, the production of livestock, aquaculture, hydroponics, the production of forest products, or other activities designated by the authority by rules subject to [chapter 17A](#).
10. "Low or moderate net worth" means a net worth that does not exceed the maximum allowable net worth established by the authority. The authority shall establish the maximum allowable net worth in accordance with the prices paid by farmers index as compiled by the United States department of agriculture.

11. “*Production item*” includes tools, machinery, or equipment principally used to produce crops or livestock.

2014 Acts, ch 1080, §48, 78, 117, 125

Referred to in §16.77, 456A.38, 654.16, 654.16A

**16.59 Special financing — calculations.**

To receive financing as provided in [this subchapter](#), an individual, partnership, family farm corporation, or family farm limited liability company shall meet the applicable low or moderate net worth requirements established in [this section](#). The requirement that applies to each such person is determined as follows:

1. For an individual, an aggregate net worth of the individual and the individual’s spouse and minor children not greater than the low or moderate net worth.
2. For a partnership, an aggregate net worth of all partners, including each partner’s net capital in the partnership, and each partner’s spouse and minor children not greater than twice the low or moderate net worth. However, the aggregate net worth of each partner and that partner’s spouse and minor children shall not exceed the low or moderate net worth.
3. For a family farm corporation, an aggregate net worth of all shareholders, including the value of each shareholder’s share in the family farm corporation, and each shareholder’s spouse and minor children not greater than twice the low or moderate net worth. However, the aggregate net worth of each shareholder and that shareholder’s spouse and minor children shall not exceed the low or moderate net worth.
4. For a family farm limited liability company, an aggregate net worth of all members, including each member’s ownership interest in the family farm limited liability company, and each member’s spouse and minor children of not greater than twice the low or moderate net worth. However, the aggregate net worth of each member and that member’s spouse and minor children shall not exceed the low or moderate net worth.

2014 Acts, ch 1080, §49, 78; 2015 Acts, ch 30, §22; 2019 Acts, ch 161, §5, 18, 19

2019 amendment to subsection 4 applies retroactively to January 1, 2019, for tax years beginning on or after that date; 2019 Acts, ch 161, §19

PART 2

ADMINISTRATION

**16.60 Combination of programs permitted.**

Programs authorized in [this subchapter](#) may be combined with any other programs authorized in [this chapter](#) or any other public or private programs.

2014 Acts, ch 1080, §50, 78

**16.61 Legislative findings — purposes — public policy.** Repealed by [2007 Acts, ch 54, §45](#).

**16.62 Trust assets.**

The authority shall make application to and receive from the United States secretary of agriculture, or any other proper federal official, pursuant and subject to the provisions of Pub. L. No. 81-499, 64 Stat. 152 (1950), formerly codified at 40 U.S.C. §440 et seq. (1976), all of the trust assets held by the United States in trust for the Iowa rural rehabilitation corporation now dissolved.

2014 Acts, ch 1080, §51, 78

**16.63 Agreements.**

The authority may enter into agreements with the United States secretary of agriculture pursuant to Pub. L. No. 81-499 §2(f) (1950) upon terms and conditions and for periods of time as mutually agreeable, authorizing the authority to accept, administer, expend, and use in the state of Iowa all or any part of the trust assets or other funds in the state of Iowa which have been appropriated for use in carrying out the purposes of the Bankhead-Jones Farm Tenant

Act and to do any and all things necessary to effectuate and carry out the purposes of such agreements.

2014 Acts, ch 1080, §52, 78

### PART 3

#### SPECIAL FINANCING

##### **16.64 Bonds and notes — tax exemption.**

1. The authority shall publish a notice of intention to issue bonds or notes. After sixty days from the date of publication of the notice, an action shall not be brought questioning the legality of any bonds or notes or the power of the authority to issue any bonds or notes or to the legality of any proceedings in connection with the authorization or issuance of the bonds or notes after determination by the board of the authority to proceed with the issuance of the bonds or notes.

2. Bonds and notes issued by the authority for purposes of financing the beginning farmer loan program provided in [section 16.75](#) are exempt from taxation by the state, and interest earned on the bonds and notes is deductible in determining net income for purposes of the state individual and corporate income tax under [subchapters II and III of chapter 422](#).

2014 Acts, ch 1080, §53, 78; 2015 Acts, ch 30, §23; 2020 Acts, ch 1062, §94

Referred to in [§422.7\(2\)\(e\)](#)

Code editor directive applied

**16.65 through 16.69** Reserved.

### PART 4

#### LOANS TO LENDING INSTITUTIONS

##### **16.70 Loans to lending institutions.**

1. The authority may make and contract to make loans to lending institutions on terms and conditions the authority determines are reasonably related to protecting the security of the authority's investment and to implementing the purposes of [this subchapter](#). Lending institutions are authorized to borrow from the authority in accordance with the provisions of [this section](#) and the rules of the authority.

2. The authority shall require as a condition of each loan to a lending institution that the lending institution, within a reasonable period after receipt of the loan proceeds as the authority prescribes by rule, shall have entered into written commitments to make and, within a reasonable period thereafter as the authority prescribes by rule, shall have disbursed the loan proceeds in new mortgage or secured loans to beginning farmers in an aggregate principal amount of not less than the amount of the loan. New mortgage or secured loans shall have terms and conditions as the authority prescribes by rules which are reasonably related to implementing the purposes of [this subchapter](#) as provided in [subchapter III](#).

3. The authority shall require the submission by each lending institution to which the authority has made a loan, of evidence satisfactory to the authority of the making of new mortgage or secured loans to beginning farmers as required by [this section](#), and in that connection may, through its members, employees, or agents, inspect the books and records of a lending institution.

4. Compliance by a lending institution with the terms of its agreement with the authority with respect to the making of new mortgage or secured loans to beginning farmers may be enforced by decree of any district court of this state. The authority may require as a condition of a loan to a national banking association or a federally chartered savings and loan association, the consent of the association to the jurisdiction of the courts of this state over any enforcement proceeding. The authority may also require, as a condition of a loan to a lending institution, agreement by the lending institution to the payment of penalties to the

authority for violation by the lending institution of its agreement with the authority, and the penalties shall be recoverable at the suit of the authority.

5. The authority shall require that each lending institution receiving a loan pursuant to [this section](#) shall issue and deliver to the authority evidence of its indebtedness to the authority which shall constitute a general obligation of the lending institution and shall bear a date, mature at a time, be subject to prepayment, and contain other provisions consistent with [this section](#) and reasonably related to protecting the security of the authority's investment, as the authority determines.

6. Notwithstanding any other provision of [this section](#), the interest rate and other terms of loans to lending institutions made from the proceeds of an issue of bonds or notes of the authority shall be at least sufficient to assure the payment of the bonds or notes and the interest on them as they become due.

7. The authority may require that loans to lending institutions are additionally secured as to payment of both principal and interest by a pledge of and lien upon collateral security by special escrow funds or other forms of guaranty and in amounts and forms as the authority by resolution determines to be necessary to assure the payment of the loans and the interest as they become due. Collateral security shall consist of direct obligations of or obligations guaranteed by the United States or one of its agencies, obligations satisfactory to the authority which are issued by other federal agencies, direct obligations of or obligations guaranteed by a state or a political subdivision of a state, or investment quality obligations approved by the authority.

8. The authority may require that collateral for loans be deposited with a bank, trust company, or other financial institution acceptable to the authority located in this state and designated by the authority as custodian. In the absence of that requirement, each lending institution shall enter into an agreement with the authority containing provisions the authority deems necessary to adequately identify and maintain the collateral, service the collateral and require the lending institution to hold the collateral as an agent for the authority, and be accountable to the authority as the trustee of an express trust for the application and disposition of the collateral and the income from it. The authority may also establish additional requirements the authority deems necessary with respect to the pledging, assigning, setting aside, or holding of collateral and the making of substitutions for it or additions to it and the disposition of income and receipts from it.

9. The authority may require as a condition of loans to lending institutions any representations and warranties the authority determines are necessary to secure the loans and carry out the purposes of [this section](#).

10. The authority may require the beginning farmer to satisfy conditions and requirements normally imposed by lending institutions in making similar loans, including but not limited to the purchase of capital stock in the federal land bank.

11. If a provision of [this section](#) is inconsistent with a provision of law of this state governing lending institutions, the provision of [this section](#) controls for the purposes of [this section](#).

[2014 Acts, ch 1080, §54, 78](#)

#### **16.71 Purchase of loans.**

1. The authority may purchase and make advance commitments to purchase mortgage or secured loans from lending institutions at prices and upon terms and conditions as the authority determines. However, the total purchase price for all mortgage or secured loans which the authority commits to purchase from a lending institution at any one time shall not exceed the total of the unpaid principal balances of the mortgage or secured loans purchased. Lending institutions are authorized to sell mortgage or secured loans to the authority in accordance with the provisions of [this section](#) and the rules of the authority.

2. The authority shall require as a condition of purchase of mortgage or secured loans from lending institutions that the lending institutions certify that the mortgage or secured loans purchased are loans made to beginning farmers. Mortgage or secured loans to be made by lending institutions shall have terms and conditions as the authority prescribes by rule. The authority may make a commitment to purchase mortgage or secured loans from lending

institutions in advance of the time the loans are made by lending institutions. The authority shall require as a condition of a commitment that lending institutions certify in writing that all mortgage or secured loans represented by the commitment will be made to beginning farmers and that the lending institution will comply with other authority specifications.

3. The authority shall require the submission to it by each lending institution from which the authority has purchased loans of evidence satisfactory to the authority of the making of mortgage or secured loans to beginning farmers as required by [this section](#) and in that connection may, through its members, employees, or agents, inspect the books and records of a lending institution.

4. Compliance by a lending institution with the terms of its agreement with the authority with respect to the making of mortgage or secured loans to beginning farmers may be enforced by decree of any district court of this state. The authority may require as a condition of purchase of mortgage or secured loans from any national banking association or federally chartered savings and loan association the consent of the association to the jurisdiction of the courts of this state over any enforcement proceeding. The authority may also require as a condition of the purchase of mortgage or secured loans from a lending institution agreement by the lending institution to the payment of penalties to the authority for violation by the lending institution of its agreement with the authority and the penalties shall be recoverable at the suit of the authority.

5. The authority may require as a condition of purchase of a mortgage or secured loan from a lending institution that the lending institution make representations and warranties the authority requires. A lending institution is liable to the authority for damages suffered by the authority by reason of the untruth of a representation or the breach of a warranty and, in the event that a representation proves to be untrue when made or in the event of a breach of warranty, the lending institution shall, at the option of the authority, repurchase the mortgage or secured loan for the original purchase price adjusted for amounts subsequently paid on it, as the authority determines.

6. The authority shall require the recording of an assignment of a mortgage loan purchased by the authority from a lending institution and is not required to notify the mortgagor of the authority's purchase of the mortgage loan. The authority is not required to inspect or take possession of the mortgage documents if the lending institution from which the mortgage loan is purchased enters into a contract to service the mortgage loan and account to the authority for it.

7. If a provision of [this section](#) is inconsistent with another provision of law of this state governing lending institutions, the provision of [this section](#) controls for the purposes of [this section](#).

[2014 Acts, ch 1080, §55, 78](#)

**16.72 Powers.** Repealed by [2007 Acts, ch 54, §45](#). See [§16.5C](#).

**16.73 Rules.** Repealed by [2014 Acts, ch 1080, §111, 114](#). See [§16.17](#).

**16.74** Reserved.

## PART 5

### BEGINNING FARMER PROGRAMS

#### SUBPART A

#### BEGINNING FARMER LOAN PROGRAM

##### **16.75 Beginning farmer loan program.**

1. The authority shall develop a beginning farmer loan program to facilitate the acquisition of agricultural land and improvements and depreciable agricultural property by

beginning farmers. The authority shall exercise the powers granted to the authority in [this chapter](#) in order to fulfill the goal of providing financial assistance to beginning farmers in the acquisition of agricultural land and agricultural improvements and depreciable agricultural property. The authority may participate in and cooperate with programs of the United States department of agriculture consolidated farm service agency, federal land bank, or any other agency or instrumentality of the federal government or with any program of any other state agency in the administration of the beginning farmer loan program and in the making of loans or purchasing of mortgage or secured loans pursuant to [this subchapter](#).

2. The authority may participate in any federal programs designed to assist beginning farmers or in any related federal or state programs.

3. The authority shall provide in a beginning farmer loan program that a loan to or on behalf of a beginning farmer shall be provided only if the following criteria are satisfied:

a. The beginning farmer is a resident of the state.

b. The agricultural land and agricultural improvements or depreciable agricultural property the beginning farmer proposes to purchase will be located in the state.

c. The beginning farmer has sufficient education, training, or experience in the type of farming for which the beginning farmer requests the loan.

d. If the loan is for the acquisition of agricultural land, the beginning farmer has or will have access to adequate working capital, farm equipment, machinery, or livestock. If the loan is for the acquisition of depreciable agricultural property, the beginning farmer has or will have access to adequate working capital or agricultural land.

e. The beginning farmer shall materially and substantially participate in farming.

f. The agricultural land and agricultural improvements shall only be used for farming by the beginning farmer, the beginning farmer's spouse, or the beginning farmer's minor children.

g. Other criteria as the authority prescribes by rule.

4. The authority may provide in a loan made or purchased pursuant to [this subchapter](#) that the loan shall not be assumed or that any interest in the agricultural land or improvements or depreciable agricultural property may not be leased, sold, or otherwise conveyed without the authority's prior written consent, and may provide a due-on-sale clause with respect to the occurrence of any of the foregoing events without the authority's prior written consent. The authority may provide by rule the grounds for permitted assumptions of a mortgage or for the leasing, sale, or other conveyance of any interest in the agricultural land or improvements. However, the authority shall provide and state in a loan that the authority has the power to raise the interest rate of the loan to the prevailing market rate if the loan is assumed by a farmer who is already established in that field at the time of the assumption of the loan. This provision controls with respect to a loan made or purchased pursuant to [this subchapter](#) notwithstanding the provisions of [chapter 535](#).

5. The authority may participate in any interest in any loan made or purchased pursuant to [this subchapter](#) with a lending institution. The participation interest may be on a parity with the interest in the loan retained by the authority, equally and ratably secured by a mortgage or security agreement securing the loan.

[2014 Acts, ch 1080, §56, 78](#)

Referred to in [§16.64, 456A.38](#)

#### **16.76 Loans to beginning farmers.**

1. As used in [this section](#), "loan" includes but is not limited to mortgage or secured loans; loans insured, guaranteed, or otherwise secured by the federal government or a federal governmental agency or instrumentality, or a state agency or private mortgage insurers; and financing pursuant to an installment contract or contract for purchase arrangement.

2. The authority may make loans to beginning farmers to provide financing for agricultural land and agricultural improvements or depreciable agricultural property.

3. A loan shall contain terms and provisions, including interest rates, and be in a form established by rules of the authority. The authority may require a beginning farmer to execute a note, loan, or financing agreement, or other evidence of indebtedness, and to

furnish additional assurances and guaranties, including insurance, reasonably related to protecting the security of the loan, as the authority deems necessary.

[2014 Acts, ch 1080, §57, 78; 2015 Acts, ch 30, §24](#)

## SUBPART B

### BEGINNING FARMER TAX CREDIT PROGRAM

Referred to in [§2.48, 16.2B, 422.11E, 422.33](#)

For provisions relating to the carryforward period for tax credits under the former beginning farmer tax credit program and under the agricultural assets transfer tax credit program for tax years commencing in calendar years 2014 – 2018, see 2014 Acts, ch 1112, §9, 10; 2019 Acts, ch 161, §17 – 19

#### 16.77 Definitions.

As used in [this subpart](#), unless the context otherwise requires:

1. “*Agricultural development board*” means the agricultural development board created in [section 16.2C](#).
2. “*Agricultural lease agreement*” or “*agreement*” means an agreement for the transfer of agricultural assets, that must at least include a lease of agricultural land, from an eligible taxpayer to a qualified beginning farmer as provided in [section 16.79A](#).
3. “*Department*” means the department of revenue.
4. “*Eligible taxpayer*” means a taxpayer who may participate in the beginning farmer tax credit program, including by meeting all the criteria as provided in [section 16.79](#).
5. “*Program*” means the beginning farmer tax credit program created pursuant to [section 16.78](#).
6. “*Qualified beginning farmer*” means a beginning farmer as defined in [section 16.58](#) who meets the requirements to participate in a beginning farmer tax credit program as provided in [section 16.79](#).
7. “*Tax credit*” means the beginning farmer tax credit allowed under [section 16.82](#).

[2019 Acts, ch 161, §6, 18, 19](#)

Section applies retroactively to January 1, 2019, for tax years beginning on or after that date; 2019 Acts, ch 161, §19

#### 16.78 Beginning farmer tax credit program — establishment and administration.

1. A beginning farmer tax credit program is established under the control of the authority.
2. The authority and the department shall cooperate in administering the program. The department shall have all rulemaking powers necessary to administer its responsibilities under [this subpart](#) as it does under [chapter 422](#).
3. To every extent practicable, the authority shall administer the program in a manner that encourages participation by eligible taxpayers and qualifying beginning farmers for the primary purposes of providing beginning farmers access to farmland and enhancing the stability of the beginning farmer’s farming business.
4. The authority and the department shall each adopt rules in accordance with [chapter 17A](#) as necessary for the administration of their respective responsibilities under [this subpart](#). The eligibility requirements for taxpayers and the qualifications for beginning farmers as provided in the rules shall not be more stringent than provided in [this subpart](#).
5. The authority shall provide for the preparation or revision and publication or distribution of forms necessary to administer their responsibilities under [this subpart](#).

[2019 Acts, ch 161, §7, 18, 19](#)

Referred to in [§16.77, 16.79A, 16.82](#)

Section applies retroactively to January 1, 2019, for tax years beginning on or after that date; 2019 Acts, ch 161, §19

#### 16.79 Beginning farmer tax credit program — eligibility criteria.

1. A taxpayer is eligible to participate in the beginning farmer tax credit program if the taxpayer meets all of the following requirements:
  - a. The taxpayer is a person who may acquire or otherwise obtain or lease agricultural land in this state pursuant to [chapter 9H](#) or [9I](#). However, the taxpayer must not be a person who may acquire or otherwise obtain or lease agricultural land exclusively because of an

exception provided in one of those chapters or in a provision of another chapter of this Code including but not limited to [chapter 10](#), [10D](#), or [501](#), or [section 15E.207](#).

b. The taxpayer has entered into an agricultural lease agreement with a qualified beginning farmer to lease agricultural land as provided in [section 16.79A](#).

c. The taxpayer has not been at fault for terminating a prior agreement under the program or another agreement in which the taxpayer was allowed to claim a tax credit under [section 175.37](#) as it existed prior to January 1, 2015, or [section 16.80](#) as it existed prior to January 1, 2018.

d. If the agreement includes the lease of a confinement feeding operation structure as defined in [section 459.102](#), the taxpayer is not a party to a pending administrative or judicial action, including a contested case proceeding under [chapter 17A](#), relating to an alleged violation involving an animal feeding operation as regulated by the department of natural resources, regardless of whether the pending action is brought by the department or the attorney general.

e. The taxpayer is not classified as a habitual violator for a violation of state law involving an animal feeding operation as regulated by the department of natural resources under [chapter 459](#).

f. The taxpayer is not a partner of a partnership, shareholder of a family farm corporation, or member of a family farm limited liability company that is the lessee of an agricultural asset that is part of an agricultural lease agreement.

2. A beginning farmer is a qualified beginning farmer eligible to participate in the program by meeting all of the following criteria:

a. Is a resident of the state. If the beginning farmer is a partnership, all partners must be residents of the state. If a beginning farmer is a family farm corporation, all shareholders must be residents of the state. If the beginning farmer is a family farm limited liability company, all members must be residents of the state.

b. Has sufficient education, training, or experience in farming. If the beginning farmer is a partnership, at least one partner who is not a minor must have sufficient education, training, or experience in farming. If the beginning farmer is a family farm corporation, at least one shareholder who is not a minor must have sufficient education, training, or experience in farming. If the beginning farmer is a family farm limited liability company, at least one member who is not a minor must have sufficient education, training, or experience in farming.

c. Has access to adequate working capital and production items.

d. Will materially and substantially participate in farming. If the beginning farmer is a partnership, family farm corporation, or family farm limited liability company, at least one of the partners, shareholders, or members who is not a minor must materially and substantially participate in farming.

e. Does not own more than a ten percent ownership interest in an agricultural asset included in the agreement.

[2019 Acts, ch 161, §8, 18, 19](#)

Referred to in [§16.77](#)

Section applies retroactively to January 1, 2019, for tax years beginning on or after that date; 2019 Acts, ch 161, §19

### **16.79A Agricultural lease agreement.**

1. A beginning farmer tax credit is allowed only for agricultural assets that are subject to an agricultural lease agreement entered into by an eligible taxpayer and a qualifying beginning farmer participating in the beginning farmer tax credit program established pursuant to [section 16.78](#).

2. The agreement must include the lease of agricultural land located in this state, including any improvements, and may provide for the rental of agricultural equipment as defined in [section 322F1](#).

3. a. The agreement must include provisions which describe the consideration paid for the agreement in a manner that allows the authority to calculate the value of the lease in order to determine the tax credit amount as provided in [section 16.82](#).

b. The agreement must be in writing.

c. The agreement must be for at least two years, but not more than five years. The



agreement may be renewed by the eligible taxpayer and qualified beginning farmer for a term of at least two years, but not more than five years.

d. The agreement shall not include a lease or rental of equipment intended as a security.

e. The agreement cannot be assigned and the agricultural land subject to the agreement shall not be subleased.

f. (1) The agricultural assets shall not be leased or rented at a rate that is substantially higher than the market rate for similar agricultural assets leased or rented within the same community.

(2) As used in subparagraph (1), when referring to an agricultural asset that is cropland, “*substantially higher*” means not more than thirty percent above the average cash rent paid for cropland rented in the same county according to the most recent cash rent survey for cropland published by a unit of Iowa state university of science and technology recognized by the authority.

4. a. The agreement may be amended after the authority approves an application and makes a tax credit award without changing the eligibility status of the taxpayer, except as provided in paragraph “b”.

b. The underlying lease for agricultural land may only be amended without submitting a new application if any of the following apply:

(1) The terms of the amended lease are more favorable to the qualified beginning farmer, including but not limited to the rent payment being reduced.

(2) A party has changed their name.

(3) The owner of an agricultural asset is changed to the owner’s estate or trust upon the eligible taxpayer’s death.

c. If an amendment to an agreement changes the total amount that will be paid to the eligible taxpayer under the agreement, the eligible taxpayer shall notify the authority in a manner and form prescribed by the authority within thirty days of the date the amendment is executed by the parties.

(1) If the amendment will reduce the total amount paid to the eligible taxpayer under the agreement, the authority shall recalculate and reduce the eligible taxpayer’s tax credit award under [section 16.82A](#).

(2) If the amendment will increase the total amount paid to the eligible taxpayer under the agreement, the tax credit award shall not be increased unless the eligible taxpayer submits an amended application to the authority in the manner and form prescribed by the authority and that meets the requirements of [section 16.81](#). If the amended application is approved under [section 16.81](#), the authority may increase the amount of the tax credit award. The increased amount of the tax credit award shall be subject to the aggregate award limitation in [section 16.82A](#) for the calendar year in which the increased award is made.

(3) This paragraph “c” does not apply to an amendment to an agreement that requires a new application under paragraph “b” in order to be valid.

5. An eligible taxpayer or qualified beginning farmer may terminate an agreement as provided in the agreement or by law. The eligible taxpayer must notify the authority of the termination within thirty days of the date of termination in the manner and form prescribed by the authority.

**2019 Acts, ch 161, §9, 18, 19**

Referred to in [§16.77](#), [16.79](#)

Section applies retroactively to January 1, 2019, for tax years beginning on or after that date; 2019 Acts, ch 161, §19

**16.80 Agricultural assets transfer tax credit — agreement.** Repealed by 2019 Acts, ch 161, §15, 18, 19.

2019 repeal applies retroactively to January 1, 2019, for tax years beginning on or after that date; for provisions relating to agricultural assets transfer tax credit applications approved before May 21, 2019, applicability of prior tax credits, and continuance of carryover provisions; see 2019 Acts, ch 161, §16, 17, 19

**16.81 Beginning farmer tax credit — application.**

1. The deadline for submitting an application to the authority to claim a beginning farmer tax credit is August 1 of each year. The application shall be for a period that is not longer than the term of the lease.

2. a. The authority shall impose, assess, and collect application fees on an interim basis until December 31, 2021. The amount of an application fee shall not be more than the following:

(1) For an application that includes an agreement for the lease of one hundred acres or less of agricultural land, a fee of three hundred dollars.

(2) For an application that includes an agreement for the lease of more than one hundred acres, but not more than two hundred fifty acres of agricultural land, a fee of four hundred dollars.

(3) For an application that includes an agreement for the lease of more than two hundred fifty acres of agricultural land, a fee of five hundred dollars.

(4) For an amendment to an agreement that is part of an application that has been previously approved, a fee of one hundred dollars.

b. Any amount of fees collected by the authority under [this subsection](#) shall be considered repayment receipts as defined in [section 8.2](#).

c. [This subsection](#) is repealed on January 1, 2022.

3. a. The authority shall impose, assess, and collect application fees and shall adopt rules as necessary to administer [this subsection](#), including by providing for the rate of those fees.

b. The authority may establish different rates based on separate categories of applications or agricultural lease agreements as determined relevant by the authority.

c. The authority shall calculate the rates of the application fees to be effective for each successive twelve-month period. The total amount of application fees collected by the authority for that period shall not be more than the authority's estimate of the total amount of revenues necessary to administer the provisions of [this subpart](#) based on the expected revenue to be collected from the application fees and the expected costs to be incurred by the authority in administering the provisions of [this subpart](#) during that period. The authority may adjust the rates throughout that period as the authority determines necessary to comply with this paragraph.

d. The amount of application fees collected by the authority under [this subsection](#) shall be considered repayment receipts as defined in [section 8.2](#).

e. (1) The rules described in [this subsection](#) shall first take effect immediately after the repeal of [subsection 2](#).

(2) This paragraph "e" is repealed immediately after the rules described in [this subsection](#) take effect.

4. An eligible taxpayer shall not participate in the beginning farmer tax credit program for more than ten years, and shall not receive more than ten tax credit certificates under the program.

5. The agricultural development board shall review and recommend approval of an application for a tax credit as provided by rules adopted by the authority. The application must include a copy of the agricultural lease agreement. The authority may require that the parties to an agreement provide additional information as determined relevant by the authority.

6. The authority shall approve all beginning farmer tax credit applications that meet the requirements of [this subpart](#) and make tax credit awards on a first-come, first-served basis, subject to the limitations in [section 16.82A](#).

7. After the authority has approved an application and made a tax credit award, all of the following apply:

a. The authority shall issue beginning farmer tax credit certificates to an eligible taxpayer on an annual basis as provided in [section 16.82A](#).

b. An eligible taxpayer may claim the tax credit each tax year as provided in [section 16.82](#).

8. Any financial, contractual, or legal authorization records provided to the authority shall be kept confidential and are not subject to [chapter 22](#).

[2019 Acts, ch 161, §10, 18, 19](#)

Referred to in [§16.79A, 16.82A](#)

Section applies retroactively to January 1, 2019, for tax years beginning on or after that date; 2019 Acts, ch 161, §19

**16.82 Beginning farmer tax credit — allowance.**

1. A beginning farmer tax credit is authorized under the beginning farmer tax credit program as provided in [section 16.78](#). The beginning farmer tax credit is allowed against the taxes imposed in [chapter 422, subchapter II](#), as provided in [section 422.11E](#), and in [chapter 422, subchapter III](#), as provided in [section 422.33, subsection 21](#), to facilitate the transfer of agricultural assets from an eligible taxpayer to a qualifying beginning farmer participating in the program.

2. An individual may claim a beginning farmer tax credit under [this section](#) of a partnership, limited liability company, S corporation, estate, or trust electing to have income taxed directly to the individual. The amount claimed by the individual shall be based upon the pro rata share of the individual's earnings from the partnership, limited liability company, S corporation, estate, or trust.

3. Subject to the limitations described in [subsections 5, 6, and 7](#), the authority shall determine the amount of the tax credit under an agreement using the following methods:

a. In the case of an agreement on a fixed basis, in which an eligible taxpayer receives a fixed cash rent payment, the amount of the tax credit equals five percent of the amount of the fixed cash rent payment for each year.

b. In the case of an agreement on a commodity share basis, in which an eligible taxpayer receives as a rent payment a percentage of the commodity produced, the amount of the tax credit shall equal fifteen percent of the gross amount that the eligible taxpayer would receive as a rent payment from the sale of the eligible taxpayer's share of the crop in each harvest year. The amount of the tax credit shall be based on an equation established by rule adopted by the authority which shall use data compiled by the United States department of agriculture, which shall include all of the following factors:

(1) The past ten-year average per bushel yield for the same type of grain as produced under the agreement in the same county where the leased agricultural land is located excluding the years of highest and lowest per bushel yields.

(2) The per bushel state price established for the same type of grain harvested as described in subparagraph (1). Price information shall be averaged from the past five years excluding the years of the highest and lowest per bushel state price.

c. In the case of an agreement made on a flexible basis in which an eligible taxpayer receives a rent payment consisting of a fixed cash payment and an amount subject to adjustment according to a risk-sharing arrangement, or receives a rent payment consisting of an amount subject to adjustment according to a risk-sharing arrangement, the amount of the tax credit equals the sum of the following amounts:

(1) To the extent that a portion of the amount of the rent payment is calculated on a fixed basis as described in paragraph "a", that portion of the tax credit equals five percent of the fixed cash payment in the same manner as provided in paragraph "a".

(2) To the extent that a portion of the amount of the rent payment is calculated on a commodity share basis as described in paragraph "b", that portion of the tax credit equals fifteen percent of the amount that the eligible taxpayer would receive from the sale of the eligible taxpayer's share of the commodity in the same manner as provided in paragraph "b".

(3) (a) To the extent that the amount of the rent payment may be adjusted after taking into account all risk-sharing factors provided in the agreement, that portion of the tax credit equals fifteen percent of the highest adjusted amount that the eligible taxpayer could receive in excess of the amounts calculated in subparagraphs (1) and (2) based on an equation adopted by rule by the authority.

(b) As used in subparagraph division (a), "risk-sharing factor" means an occurrence or lack of occurrence that may affect the commodity's production or profitability as provided in the agreement, and which may include but is not limited to production costs, per acre crop yield, gross revenue, or market price.

(c) The authority shall adopt rules establishing criteria for commonly used risk-sharing factors and adjustment limits.

4. The authority shall provide the department with data, in the format prescribed by the department, of eligible taxpayers and persons who have been decertified due to lease termination or other cause of ineligibility by January 31 of each year. The data shall include

the amount of the tax credit issued for the most recent year and all expected future tax credits under an agreement for each eligible taxpayer and the type of agreement.

5. The amount of tax credits that may be awarded to an eligible taxpayer for any one year under all agreements shall not exceed fifty thousand dollars.

6. The amount of the tax credit shall be reduced by the percent ownership interest of the qualifying beginning farmer in the agricultural asset.

7. A tax credit in excess of the eligible taxpayer's tax liability for the tax year is not refundable but may be credited to the tax liability for the following ten tax years or until depleted, whichever is earlier. A tax credit shall not be carried back to a tax year prior to the tax year in which the eligible taxpayer redeems the tax credit.

8. a. To claim a tax credit under [this section](#), an eligible taxpayer shall include one or more tax credit certificates with the eligible taxpayer's tax return pursuant to rules adopted by the department.

b. A tax credit shall not be transferable to any other person other than the eligible taxpayer's estate or trust upon the eligible taxpayer's death pursuant to rules adopted by the department.

9. If an agreement is terminated by the eligible taxpayer, all of the following shall apply:

a. Any tax credit properly claimed by the eligible taxpayer prior to the date of termination or for the year during which the termination occurred shall be allowed except as provided in paragraph "b", but no additional tax credits may be issued or claimed under the program for that agreement. The eligible taxpayer may apply for and be awarded another beginning farmer tax credit under a new agreement for the same agricultural assets as provided in [this section](#).

b. If the authority determines that the eligible taxpayer is at fault for the termination, any beginning farmer tax credit that is claimed by the eligible taxpayer for the year during which the termination occurred shall be disallowed and the amount shall be considered a tax payment due. If an eligible taxpayer does not notify the authority of the termination within thirty days of the date of the termination in the manner and form prescribed by the authority, the eligible taxpayer shall be conclusively deemed at fault for the termination.

[2019 Acts, ch 161, §11, 18, 19; 2020 Acts, ch 1062, §94](#)

Referred to in [§16.77, 16.79A, 16.81, 16.82A](#)

Section applies retroactively to January 1, 2019, for tax years beginning on or after that date; 2019 Acts, ch 161, §19

Code editor directive applied

### **16.82A Beginning farmer tax credit awards — amount and availability.**

1. a. Upon approval of an application as provided in [section 16.81](#), the authority shall make a tax credit award to the eligible taxpayer. The tax credit award shall equal the sum of the tax credits calculated by the authority under [section 16.82](#) for all eligible years under the approved agreement.

b. The authority shall notify the eligible taxpayer of the tax credit award under the program. The notification shall include the total tax credit award, the amount of the tax credit award that will be issued by way of a tax credit certificate in each future year under the approved agreement, and a statement that the eligible taxpayer has no right to receive tax credit certificates and claim tax credits under the program if all requirements of the agreement and the program are not satisfied.

c. If, after a tax credit award is made, the eligible taxpayer or qualified beginning farmer no longer meets the requirements of the agreement or the program, the authority may revoke the tax credit award and may rescind any tax credit certificate that has been issued.

2. The amount of beginning farmer tax credits that may be awarded by the authority in any one calendar year under the beginning farmer tax credit program shall not in the aggregate exceed a limit of twelve million dollars. Tax credits shall be awarded by the authority not later than December 15 of each calendar year after the agricultural development board reviews applications as provided in [section 16.81](#) and the authority determines tax credit amounts for the approved applications as provided in [section 16.82](#), aggregated for purposes of meeting the annual program award limits.

3. a. The authority shall issue tax credit certificates on an annual basis to eligible

taxpayers who have received a tax credit award. The tax credit certificate shall contain the information required by the department.

b. The aggregate amount of tax credit certificates issued to an eligible taxpayer shall not exceed the eligible taxpayer's tax credit award.

c. A tax credit certificate, unless rescinded by the authority, shall be accepted by the department as payment for taxes pursuant to [chapter 422, subchapters II and III](#), subject to any conditions or restrictions placed by the authority upon the face of the tax credit certificate and subject to the limitations of the program.

[2019 Acts, ch 161, §12, 18, 19; 2020 Acts, ch 1062, §13, 94](#)

Referred to in [§16.79A, 16.81](#)

Section applies retroactively to January 1, 2019, for tax years beginning on or after that date; 2019 Acts, ch 161, §19

Applicability of section to tax credits awarded to applicants submitting applications before May 21, 2019, for agricultural transfer tax credits under former §16.80, for the tax year beginning January 1, 2019, see 2019 Acts, ch 161, §16, 17, 19

Code editor directive applied

Subsection 1, paragraph c amended

## SUBPART C

### AGRICULTURAL PRODUCER PROGRAMS

#### 16.83 Additional loan program.

1. The authority may enter into a loan agreement with a beginning farmer to finance in whole or in part the acquisition by construction or purchase of agricultural land, agricultural improvements, or depreciable agricultural property. The repayment obligation of the beginning farmer may be unsecured, or may be secured by a mortgage or security agreement or by other security as the authority deems advisable, and may be evidenced by one or more notes of the beginning farmer. The loan agreement may contain terms and conditions as the authority deems advisable.

2. The authority may issue its bonds and notes for the purposes set forth in [subsection 1](#) and may enter into a lending agreement or purchase agreement with one or more bondholders or noteholders containing the terms and conditions of the repayment of and the security for the bonds or notes. Bonds and notes must be authorized by a resolution of the authority. The authority and the bondholders or noteholders may enter into an agreement to provide for any of the following:

a. That the proceeds of the bonds and notes, and the investments on the proceeds, may be received, held, and disbursed by the bondholders or noteholders, or by a trustee or agent designated by the authority.

b. That the bondholders or noteholders or a trustee or agent designated by the authority may collect, invest, and apply the amounts payable under the loan agreement or any other security instrument securing the debt obligation of the beginning farmer.

c. That the bondholders or noteholders may enforce the remedies provided in the loan agreement or security instrument on their own behalf without the appointment or designation of a trustee and if there is a default in the principal of or interest on the bonds or notes or in the performance of any agreement contained therein, the payment or performance may be enforced in accordance with the provisions contained therein.

d. That if there is a default in the payment of the principal or interest on a mortgage or security instrument or a violation of an agreement contained in the mortgage or security instrument, the mortgage or security instrument may be foreclosed or enforced and any collateral sold under proceedings or actions permitted by law and a trustee under the mortgage or security agreement or the holder of any bonds or notes secured thereby may become a purchaser if the trustee or holder is the highest bidder.

e. Other terms and conditions.

3. The authority may provide in the resolution authorizing the issuance of the bonds or notes that the principal and interest shall be limited obligations payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the beginning farmer, and that the principal and interest does not constitute an indebtedness of the authority or a charge against its general credit or general fund.

4. The powers granted the authority under [this section](#) are in addition to other powers granted to the authority to administer [this subchapter](#) as provided in [this chapter](#). All other provisions of [this chapter](#), except [section 16.28, subsection 4](#), apply to bonds or notes issued pursuant to and powers granted to the authority under [this section](#) except to the extent that they are inconsistent with [this section](#).

2014 Acts, ch 1080, §63, 78

#### **16.84 Financial assistance for agricultural producers.**

1. In addition to the other programs authorized pursuant to [this subchapter](#), the authority is authorized to provide any type of economic assistance directly or indirectly to agricultural producers, and may develop and implement programs including but not limited to the making of loan guaranties, interest buy-downs, grants, secured or unsecured direct loans, secondary market purchases of loans or mortgages, loans to lending institutions or other agricultural lenders as designated by rule of the authority, or entities that provide funds or credits to such lenders or institutions, to assist agricultural producers within the state. The authority may exercise any of the powers granted to the authority in [this chapter](#) in order to fulfill the goal of providing financial assistance to agricultural producers. The authority may participate in and cooperate with programs of any agency or instrumentality of the federal government or with programs of any other state agency in the administration of the programs to provide economic assistance to agricultural producers.

2. The authority shall provide in any program developed and implemented pursuant to [this section](#) that assistance shall be provided only if the following criteria are satisfied:

- a. The agricultural producer is a resident of the state.
- b. The agricultural producer's land and farm operations are located within the state.
- c. Based upon the agricultural producer's net worth, cash flow, debt-to-asset ratio, and other criteria as prescribed by rule of the authority, the authority determines that without such assistance the agricultural producer could not reasonably be expected to be able to obtain, retain, restructure, or service loans or other financing for operating expenses, cash flow requirements, or capital acquisition and maintenance upon a reasonable and affordable basis.
- d. Other criteria as the authority prescribes by rule.

3. The authority is granted all powers which are necessary or useful to develop and implement programs and authorizations pursuant to [subsection 1](#). These powers include but are not limited to:

- a. All general and specific powers stated in [subchapter IV](#) and [this subchapter](#).
- b. The power to make or enter into or to require the making or entry into of agreements of any type, with or by any person, that are necessary to effect the purposes of [this section](#). These agreements may include but are not limited to contracts, notes, bonds, guaranties, mortgages, loan agreements, trust indentures, reimbursement agreements, letters of credit or other liquidity or credit enhancement agreements, reserve agreements, loan or mortgage purchase agreements, buy-down agreements, grants, collateral or security agreements, insurance contracts, or other similar documents. The agreements may contain any terms and conditions which the authority determines are reasonably necessary or useful to implement the purposes of [this section](#) or which are usually included in agreements or documents between private or public persons in similar transactions.
- c. The power to require submission of evidence satisfactory to the authority of the receipt by an agricultural producer of the assistance intended under a program developed and implemented pursuant to [this section](#). In that connection, the authority, through its members, employees, or agents, may inspect the books and records of any person receiving or involved in the provision of assistance in accordance with [this section](#).
- d. The power to establish by rule appropriate enforcement provisions in order to assure compliance with [this section](#) and rules adopted pursuant to [this section](#), to seek the enforcement of such rules and the terms of any agreement or document by decree of any court of competent jurisdiction, and to require as a condition of providing assistance pursuant to [this section](#) the consent of any person receiving or involved in the provision of the assistance to the jurisdiction of the courts of this state over any enforcement proceeding.

e. The power to require, as a condition of the provision of assistance pursuant to [this section](#), any representations and warranties on the part of any person receiving or involved in providing such assistance that the authority determines are reasonably necessary or useful to carry out the purposes of [this section](#). A person receiving or involved in providing assistance pursuant to [this section](#) is liable to the authority for damages suffered by the authority by reason of a misrepresentation or the breach of a warranty.

4. All persons, public and private, are authorized to cooperate with the authority and to participate in the programs developed and implemented pursuant to [this section](#) and in accordance with the rules of the authority.

5. The powers granted the authority under [this section](#) are in addition to other powers contained in [this chapter](#). All other provisions of [this chapter](#), except [section 16.28, subsection 4](#), apply to bonds or notes issued pursuant to powers granted to the authority under [this section](#), to reserve funds, to appropriations, and to the remedies of bondholders and noteholders except to the extent that they are inconsistent with [this section](#).

2014 Acts, ch 1080, §64, 78

**16.85 through 16.89** Reserved.

## SUBCHAPTER IX TITLE GUARANTY

### PART 1 GENERAL

#### **16.90 Definition.**

As used in [this subchapter](#), unless the context otherwise requires, “*title guaranty*” means a guaranty against loss or damage caused by a defective title to real property.

2014 Acts, ch 1080, §65, 78

### PART 2 PROGRAM

#### **16.91 Iowa title guaranty program.**

1. The authority through the Iowa title guaranty division shall initiate and operate a program in which the division shall offer guaranties of real property titles in this state. The terms, conditions, and form of the guaranty contract shall be forms approved by the division board. The division shall fix a charge for the guaranty in an amount sufficient to permit the program to operate on a self-sustaining basis, including payment of administrative costs and the maintenance of an adequate reserve against claims under the Iowa title guaranty program. A title guaranty fund is created in the office of the treasurer of state. Funds collected under this program shall be placed in the title guaranty fund and are available to pay all claims, necessary reserves and all administrative costs of the Iowa title guaranty program. Moneys in the fund shall not revert to the general fund and interest on the moneys in the fund shall be deposited in the housing trust fund established in [section 16.181](#) and shall not accrue to the general fund. If the authority board in consultation with the division board determines that there are surplus funds in the title guaranty fund after providing for adequate reserves and operating expenses of the division, the surplus funds shall be transferred to the housing assistance fund created pursuant to [section 16.40](#).

2. A title guaranty, closing protection letter, or gap coverage issued under this program is an obligation of the division only and claims are payable solely and only out of the moneys,

assets, and revenues of the title guaranty fund and are not an indebtedness or liability of the state. The state is not liable on any guaranty, closing protection letter, or gap coverage.

3. With the approval of the authority board the division and its board shall consult with the insurance division of the department of commerce in developing a guaranty contract acceptable to the secondary market and developing any other feature of the program with which the insurance division may have special expertise. Except as provided in [this subsection](#), the Iowa title guaranty program is not subject to the jurisdiction of or regulation by the insurance division or the commissioner of insurance.

4. Each participating attorney and abstractor may be required to pay an annual participation fee to be eligible to participate in the Iowa title guaranty program. The fee, if any, shall be set by the division, subject to the approval of the authority.

5. The participation of abstractors and attorneys shall be in accordance with rules established by the division and adopted by the authority pursuant to [chapter 17A](#).

a. (1) Each participant shall at all times maintain liability coverage in amounts approved by the division. Upon payment of a claim by the division, the division shall be subrogated to the rights of the claimant against all persons relating to the claim.

(2) Additionally, each participating abstractor is required to own or lease, and maintain and use in the preparation of abstracts, an up-to-date abstract title plant including tract indices for real estate for each county in which abstracts are prepared for real property titles guaranteed by the division. The tract indices shall contain a reference to all instruments affecting the real estate which are recorded in the office of the county recorder, and shall commence not less than forty years prior to the date the abstractor commences participation in the Iowa title guaranty program. However, a participating attorney providing abstract services continuously from November 12, 1986, to the date of application, either personally or through persons under the attorney's supervision and control is exempt from the requirements of this subparagraph.

b. The division may waive the requirements of [this subsection](#) pursuant to an application of an attorney or abstractor which shows that the requirements impose a hardship to the attorney or abstractor and that the waiver clearly is in the public interest or is absolutely necessary to ensure availability of title guaranties throughout the state.

6. Prior to the issuance of a title guaranty, the division shall require evidence that an abstract of title to the property in question has been brought up-to-date and certified by a participating abstractor in a form approved by division rules and a title opinion issued by a participating attorney in the form approved in the rules stating the attorney's opinion as to the title. The division shall require evidence of the abstract being brought up-to-date and the abstractor shall retain evidence of the abstract as determined by the board.

7. The attorney rendering a title opinion shall be authorized to issue a title guaranty certificate subject to the rules of the authority.

8. The authority shall adopt rules pursuant to [chapter 17A](#) that are necessary for the implementation of the Iowa title guaranty program as established by the division and that have been approved by the authority.

[85 Acts, ch 252, §30](#)

CS85, §220.91

[87 Acts, ch 75, §1](#); [88 Acts, ch 1145, §2 – 5](#); [92 Acts, ch 1090, §1](#)

C93, §16.91

[97 Acts, ch 214, §6](#); [2000 Acts, ch 1166, §1](#); [2007 Acts, ch 54, §27](#); [2008 Acts, ch 1032, §132](#); [2008 Acts, ch 1097, §2](#); [2014 Acts, ch 1012, §3 – 5](#); [2014 Acts, ch 1080, §66, 78](#); [2016 Acts, ch 1122, §1](#)

Referred to in [§447.13](#)

### **16.92 Real estate transfer — mortgage release certificate.**

1. *Definitions.* As used in [this section](#), unless the context otherwise requires:

a. “*Applicant*” means a person authorized to regularly lend moneys to be secured by a mortgage on real property in this state, a licensed real estate broker, a licensed attorney, a participating abstractor, or a licensed closing agent.



b. “Closing agent” means a closing agent subject to the licensing requirements of [chapter 535B](#).

c. “Division” means the Iowa title guaranty division in the authority, the director of the division, or a designee of the director.

d. “Division board” means the board of directors of the title guaranty division of the authority.

e. “Mortgage” means a mortgage or mortgage lien on an interest in real property in this state given to secure a loan in an original principal amount equal to or less than the maximum principal amount as determined by the division board and adopted by the authority pursuant to [chapter 17A](#).

f. “Mortgage servicer” means the mortgagee or a person other than the mortgagee to whom a mortgagor or the mortgagor’s successor in interest is instructed by the mortgagee to send payments on a loan secured by the mortgage. A person transmitting a payoff statement for a mortgage is a mortgage servicer for purposes of such mortgage and [this chapter](#).

g. “Mortgagee” means the grantee of a mortgage. If a mortgage has been assigned of record, the mortgagee is the last person to whom the mortgage is assigned of record.

h. “Mortgagor” means the grantor of a mortgage.

i. “Participating abstractor” means an abstractor participating in the Iowa title guaranty program.

j. “Payoff statement” means a written statement furnished by the mortgage servicer which sets forth all of the following:

(1) The unpaid balance of the loan secured by a mortgage, including principal, interest, and any other charges properly due under or secured by the mortgage, or the amount required to be paid in order to release or partially release the mortgage.

(2) The address where payment is to be sent or other specific instructions for making a payment.

(3) The legal description, street address, or other description sufficient to identify the property that will be released from the mortgage.

2. *Application.* The division may execute and record a certificate of release on behalf of the division in the real property records of each county in which a mortgage is recorded as provided in [this section](#) if all of the following are satisfied:

a. The applicant submits all of the following in writing to the division:

(1) A payoff statement or other documentation of the amount due, acceptable to the division, as evidence that the mortgage does not continue to secure an unpaid obligation due the mortgagee or an unfunded commitment by the mortgagor to the mortgagee.

(2) Evidence that payment was made, including, if available, a statement as to the date the payment was received by the mortgagee or mortgage servicer, with supporting documentation, as evidenced by one or more of the following:

(a) A bank check, certified check, escrow account check, real estate broker trust account check, attorney trust account check, or wire receipt, that was negotiated by the mortgagee or mortgage servicer.

(b) Other documentary evidence, acceptable to the division, of payment to the mortgagee or mortgage servicer.

b. The applicant confirms in writing to the division all of the following:

(1) More than thirty days have elapsed since the date the payment was sent.

(2) An effective satisfaction or release of the mortgage has not been executed and recorded within thirty days after the date of payment.

3. *Notice.*

a. Prior to the execution and filing of a certificate of release pursuant to [this section](#), the division shall notify the mortgage servicer in writing of all of the following:

(1) The mortgage has not been released.

(2) The division’s intention to execute and record a certificate of release pursuant to [this section](#) after expiration of the thirty-day period following the sending of the notice.

b. The notice shall include instructions to notify the division in writing within thirty days of the effective date of the notice of any reason why the certificate of release should not be executed and recorded.

c. For purposes of [this section](#), notice may be served by any of the following methods:

(1) By certified mail or any commercial delivery service, properly addressed with postage or cost of delivery provided for.

(2) By facsimile transmission or electronic mail to an address provided by the mortgage servicer, but only if the mortgage servicer agrees to receive notice in that manner.

(3) By publication in a newspaper of general circulation published in each county where the mortgage is recorded once each week for three consecutive weeks after receiving an affidavit by the applicant that service in accordance with the provisions of subparagraph (1) or (2) cannot be made on the mortgage servicer.

(4) By otherwise causing the notice to be received by the mortgage servicer within the time it would have been received if notice had been served by certified mail or commercial delivery service.

d. For purposes of [this section](#), notice is effective under any of the following circumstances:

(1) The day after the notice is deposited with a commercial delivery service for overnight delivery.

(2) Three days after the notice is deposited with the United States postal service, or with a commercial delivery service for delivery other than by overnight delivery.

(3) The day the notice is transmitted, if served pursuant to paragraph “c”, subparagraph (2).

(4) On the last day of publication, if published pursuant to paragraph “c”, subparagraph (3).

(5) The day the notice is received, if served by a method other than as provided in paragraph “c”, subparagraph (1), (2), or (3).

e. If, prior to executing and recording the certificate of release, the division receives a written notification setting forth a reason that is satisfactory to the division as to why the certificate of release should not be executed, the division shall not execute and record the certificate of release.

4. *Contents.* A certificate of release executed under [this section](#) must contain substantially the information set forth as follows:

a. The name of the mortgagor.

b. The name of the original mortgagee.

c. The date of the mortgage.

d. The date of recording, including the volume and page or other applicable recording information in the real property records of each county where the mortgage is recorded.

e. A statement that the release was prepared in accordance with [this section](#).

5. *Execution.* A certificate of release under [this section](#) shall be executed and acknowledged in the same manner as required by law for the execution of a deed.

6. *Recording.* The certificate of release or partial release shall be recorded in each county where the mortgage is recorded.

7. *Effect.*

a. For purposes of a release or partial release of a mortgage, a certificate of release executed under [this section](#) that contains the information and statements required under [subsection 4](#) is prima facie evidence of the facts contained in such release or partial release, is entitled to be recorded with the county recorder where the mortgage is recorded, operates as a release or partial release of the mortgage described in the certificate of release, and may be relied upon by any person who owns or subsequently acquires an interest in the property released from the mortgage. The county recorder shall rely upon the certificate of release to release the mortgage.

b. Recording of a wrongful or erroneous certificate of release by the division shall not relieve the mortgagor, or the mortgagor’s successors or assigns on the debt, from personal liability on the loan or on other obligations secured by the mortgage.

c. In addition to any other remedy provided by law, if the division through an act of negligence wrongfully or erroneously records a certificate of release under [this section](#), the division is liable to the mortgagee and mortgage servicer for actual damages sustained due to the recording of the certificate of release.

d. Upon payment of a claim relating to the recording of a certificate of release, the division is subrogated to the rights of the claimant against all persons relating to the claim.

8. *Fee.* The division may charge a fee for services under [this section](#).

[99 Acts, ch 54, §1](#); [2000 Acts, ch 1166, §2 – 5](#); [2001 Acts, ch 24, §15](#); [2005 Acts, ch 26, §1, 2](#); [2007 Acts, ch 52, §1 – 4](#); [2008 Acts, ch 1191, §32](#); [2013 Acts, ch 85, §1, 2](#); [2014 Acts, ch 1012, §6](#); [2014 Acts, ch 1080, §67, 78](#); [2015 Acts, ch 30, §26](#); [2016 Acts, ch 1011, §3](#)

#### **16.93 Closing protection letters.**

1. The authority through the Iowa title guaranty division may issue a closing protection letter to a person to whom a proposed title guaranty is to be issued, upon the request of the person, if the division issues a commitment for title guaranty or title guaranty certificate. The closing protection letter shall conform to the terms of coverage and form of the instrument as approved by the division board and may indemnify a person to whom a proposed title guaranty is to be issued against loss of settlement funds due to only the following acts of the division's named participating attorney, participating abstractor, or closer:

a. Theft of settlement funds.

b. Failure by the participating attorney, participating abstractor, or closer to comply with written closing instructions of the person to whom a proposed title guaranty is to be issued relating to title certificate coverage when agreed to by the participating attorney, participating abstractor, or closer.

2. A closing protection letter shall only be issued to a person to whom a proposed title guaranty is to be issued for real property transactions in which the division has committed to issue an owner or lender certificate and for which the division receives a premium and other payments or fees for a title guaranty certificate or other coverage.

3. The division board shall establish the amount of coverage to be provided and may distinguish between classes of property including, but not limited to, residential, agricultural, or commercial, provided that the total amount of coverage provided by the closing protection letter shall not exceed the amount of the commitment or title guaranty to be issued. Liability under the closing protection letter shall be coextensive with liability under the certificate to be issued in connection with a transaction such that payments under the terms of the closing protection letter shall reduce by the same amount the liability under the title guaranty certificate and payment under the title guaranty certificate shall reduce the liability under the terms of the closing protection letter.

4. The division may adopt a required fee for providing closing protection letter coverage.

5. The division shall not provide any other coverage which purports to indemnify against improper acts or omissions of a person with regard to escrow, settlement, or closing services.

6. The authority shall adopt rules pursuant to [chapter 17A](#) as necessary to administer [this section](#).

[2000 Acts, ch 1166, §6](#); [2008 Acts, ch 1055, §1, 2](#); [2014 Acts, ch 1080, §68, 78](#)

**16.94 through 16.99** Reserved.

**16.100 and 16.100A** Repealed by 2014 Acts, ch 1080, §111, 114.

## SUBCHAPTER X

### SPECIAL FINANCING PROGRAMS

#### PART 1

### ECONOMIC DEVELOPMENT PROGRAMS

**16.101 Legislative findings.** Repealed by [2007 Acts, ch 54, §45](#).

**16.102 Establishment of economic development program — bonds and notes — projects.**

The authority may assist the development and expansion of family farming, housing, and business in the state through the establishment of the economic development program. The authority may issue its bonds or notes, or series of bonds or notes for the purpose of defraying the cost of one or more projects and make secured and unsecured loans for the acquisition and construction of projects on terms the authority determines.

[86 Acts, ch 1212, §3](#)

C87, §220.102

C93, §16.102

[2007 Acts, ch 54, §28, 29](#); [2009 Acts, ch 43, §5](#); [2014 Acts, ch 1080, §69, 78](#)

Referred to in [§16.4D, 16.104](#)

**16.103 Iowa economic development program — specific powers.**

In carrying out the economic development program, the authority may do any of the following:

1. Make secured and unsecured loans for both the acquisition and the construction of projects on terms the authority determines. A loan may be made to any person or entity including but not limited to a city or county for a project approved by the authority. The authority may take any action which is reasonable and lawful to protect its security and to avoid losses from its loans.

2. Acquire, hold, and mortgage personal property and real estate and interests in real estate to be used as a project.

3. Purchase, construct, improve, furnish, equip, lease, option, sell, exchange, or otherwise dispose of one or more projects under the terms the authority determines. However, in the lease, sale, or loan agreement relating to a project, the authority shall provide for adequate maintenance of the project.

4. Grant a mortgage, lien, pledge, assignment, or other encumbrance on one or more projects, revenues, or reserve or other funds established in connection with obligations, or with respect to a lease, sale, or loan relating to one or more projects, or a guaranty or insurance agreement relating to one or more projects, or a secured or unsecured interest of the authority in one or more projects or parts of one or more projects.

5. Provide that the interest on obligations may vary in accordance with a base or formula authorized by the authority.

6. Contract for the acquisition, construction, or both of one or more projects or parts of one or more projects and for the leasing, subleasing, sale, or other disposition of one or more projects in a manner determined by the authority.

[86 Acts, ch 1212, §4](#)

C87, §220.103

C93, §16.103

[2013 Acts, ch 100, §5, 17](#); [2014 Acts, ch 1080, §70, 78](#)

**16.104 Loan agreements.**

1. The authority may enter into loan agreements with one or more borrowers to finance in whole or in part the acquisition of one or more projects by construction or purchase. The repayment obligation of the borrower or borrowers may be unsecured, secured by a mortgage or security agreement, or secured by other security as the authority deems advisable. The repayment obligation may be evidenced by one or more notes of the borrower or borrowers. The loan agreements may contain terms and conditions the authority deems advisable.

2. The authority may issue its bonds and notes for the projects set forth in [section 16.102](#) and may enter into one or more lending agreements or purchase agreements with one or more bondholders or noteholders containing the terms and conditions of the repayment of and the security for the bonds or notes. The authority and the bondholders or noteholders or a trustee or agent designated by the authority may enter into agreements to provide for any of the following:

a. That the proceeds of the bonds and notes and the investments of the proceeds may be

received, held, and disbursed by the bondholders or noteholders, or by a trustee or agent designated by the authority.

b. That the bondholders or noteholders or a trustee or agent designated by the authority may collect, invest, and apply the amounts payable under the loan agreements or any other security instruments securing the debt obligations of the borrower or borrowers.

c. That the bondholders or noteholders may enforce the remedies provided in the loan agreements or security instruments on their own behalf without the appointment or designation of a trustee. If there is a default in the principal of or interest on the bonds or notes or in the performance of any agreement contained in the loan agreements or security instruments, the payment or performance may be enforced in accordance with the loan agreement or security instrument.

d. That if there is a default in the payment of the principal or interest on a mortgage or security instrument or if there is a violation of an agreement contained in the mortgage or security instrument, the mortgage or security instrument may be foreclosed or enforced. Collateral may be sold under proceedings or actions permitted by law. A trustee under the mortgage or security agreement or the holder of any bonds or notes secured by the mortgage or security agreement may become a purchaser if the trustee or holder is the highest bidder.

e. Other terms and conditions as deemed necessary or appropriate by the authority.

[86 Acts, ch 1212, §5](#)

C87, §220.104

[87 Acts, ch 115, §33](#)

C93, §16.104

#### **16.105 Security for bonds — reserve funds — validity of pledge — nonliability.**

1. The authority may provide in the resolution authorizing the issuance of its bonds or notes for the economic development program that the principal of, premium, if any, and interest on the bonds or notes are payable exclusively from any of the following:

a. The income and receipts or other money derived from the projects financed with the proceeds of the bonds or notes.

b. The income and receipts or other money derived from designated projects whether or not the projects are financed in whole or in part with the proceeds of the bonds or notes.

c. The authority's income and receipts of other assets generally, or a designated part or parts of them.

2. a. For the purpose of securing one or more issues of its bonds or notes, the authority may establish one or more special funds, called "capital reserve funds". The authority may pay into the capital reserve funds the proceeds of the sale of its bonds or notes and other money which may be made available to the authority from other sources for the purposes of the capital reserve funds. Except as provided in [this section](#), money in a capital reserve fund shall be used only as required for any of the following:

(1) The payment of the principal of and interest on bonds or notes or of the sinking fund payments with respect to those bonds or notes.

(2) The purchase or redemption of the bonds or notes.

(3) The payment of a redemption premium required to be paid when the bonds or notes are redeemed before maturity.

b. However, money in a capital reserve fund shall not be withdrawn if the withdrawal would reduce the amount in the capital reserve fund to less than the capital reserve fund requirement, except for the purpose of making payment, when due, of principal, interest, redemption premiums on the bonds or notes, and making sinking fund payments when other money pledged to the payment of the bonds or notes is not available for the payments. Income or interest earned by, or increment to, a capital reserve fund from the investment of all or part of the fund may be transferred by the authority to other funds or accounts of the authority if the transfer does not reduce the amount of the capital reserve fund below the capital reserve fund requirement.

3. If the authority decides to issue bonds or notes secured by a capital reserve fund, the bonds or notes shall not be issued if the amount in the capital reserve fund is less than the capital reserve fund requirement, unless at the time of issuance of the bonds or notes the

authority deposits in the capital reserve fund from the proceeds of the bonds or notes to be issued or from other sources, an amount which, together with the amount then in the fund, is not less than the capital reserve fund requirement.

4. In computing the amount of a capital reserve fund for the purpose of [this section](#), securities in which all or a portion of the fund is invested shall be valued by a reasonable method established by the authority by resolution. Valuation shall include the amount of interest earned or accrued as of the date of valuation.

5. In [this section](#), “*capital reserve fund requirement*” means the amount required to be on deposit in the capital reserve fund as of the date of computation as determined by resolution of the authority.

6. To assure maintenance of the capital reserve funds, the chairperson of the authority shall, on or before July 1 of each calendar year, make and deliver to the governor the chairperson’s certificate stating the sum, if any, required to restore each capital reserve fund to the capital reserve fund requirement for that fund. Within thirty days after the beginning of the session of the general assembly next following the delivery of the certificate, the governor may submit to both houses printed copies of a budget including the sum, if any, required to restore each capital reserve fund to the capital reserve fund requirement for that fund. Any sums appropriated by the general assembly and paid to the authority pursuant to [this section](#) shall be deposited by the authority in the applicable capital reserve fund.

7. All amounts paid to the authority by the state pursuant to [this section](#) shall be considered advances by the state to the authority and, subject to the rights of the holders of any bonds or notes of the authority that have previously been issued or will be issued, shall be repaid to the state without interest from all available operating revenues of the authority in excess of amounts required for the payment of bonds, notes, or obligations of the authority, the capital reserve fund, and operating expenses.

8. If any amount deposited in a capital reserve fund is withdrawn for payment of principal, premium, or interest on the bonds or notes or sinking fund payments with respect to bonds or notes thus reducing the amount of that fund to less than the capital reserve fund requirement, the authority shall immediately notify the general assembly of this event and shall take steps to restore the capital reserve fund to the capital reserve fund requirement for that fund from any amounts designated as being available for such purpose.

9. The authority may establish reserve funds, other than capital reserve funds, to secure one or more issues of its bonds or notes. The authority may deposit in a reserve fund established under [this subsection](#) the proceeds of the sale of its bonds or notes and other money which is made available from any other source. The authority may allow a reserve fund established under [this subsection](#) to be depleted without complying with [subsection 6](#) or [subsection 8](#).

10. It is the intention of the general assembly that a pledge made in respect of bonds or notes shall be valid and binding from the time the pledge is made, that the money or property so pledged and received after the pledge by the authority shall immediately be subject to the lien of the pledge without physical delivery or further act, and that the lien of the pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the authority whether or not the parties have notice of the lien. Neither the resolution, trust agreement, nor any other instrument by which a pledge is created needs to be recorded or filed under the Iowa uniform commercial code, [chapter 554](#), to be valid, binding, or effective against the parties.

11. Neither the members of the authority nor a person executing the bonds or notes are liable personally on the bonds or notes or are subject to personal liability or accountability by reason of the issuance of the bonds or notes.

12. The bonds or notes issued by the authority are not an indebtedness or other liability of the state or of a political subdivision of the state, except the authority, and are payable solely from the income and receipts or other funds or property of the authority which are designated in the resolution of the authority authorizing the issuance of the bonds or notes as being available as security for bonds or notes. The authority shall not pledge the faith or credit of the state or of a political subdivision of the state, except the authority, to the payment of a bond or note. The issuance of a bond or note by the authority does not directly, indirectly,

or contingently obligate the state or a political subdivision of the state to apply money from, or levy or pledge any form of taxation whatever to the payment of the bond or note.

[86 Acts, ch 1212, §6](#)

C87, §220.105

C93, §16.105

[2005 Acts, ch 3, §13](#); [2008 Acts, ch 1032, §201](#); [2014 Acts, ch 1080, §71, 72, 78](#)

**16.106 Adoption of rules.** Repealed by [2014 Acts, ch 1080, §111, 114](#).

**16.107 Infrastructure loan program.** Repealed by [2001 Acts, ch 61, §19](#).

**16.108 through 16.120** Reserved.

**16.121 through 16.125** Repealed by [2007 Acts, ch 54, §45](#).

**16.126 through 16.130** Reserved.

## PART 2

### WATER POLLUTION CONTROL WORKS, DRINKING WATER, AND WASTEWATER PROGRAMS

Referred to in [§16.151](#)

#### **16.131 Water pollution control works and drinking water facilities financing program — funding — bonds and notes.**

1. The authority shall cooperate with the department of natural resources in the creation, administration, and financing of the water pollution control works and drinking water facilities financing program established in [sections 455B.291 through 455B.299](#).

2. The authority may issue its bonds and notes for the purpose of funding the funds created under [section 16.133A](#) and the state matching funds required pursuant to the Clean Water Act and the Safe Drinking Water Act.

3. The authority may issue its bonds and notes for the purposes established and may enter into one or more loan agreements or purchase agreements with one or more bondholders or noteholders containing the terms and conditions of the repayment of and the security for the bonds or notes. The authority and the bondholders or noteholders or a trustee agent designated by the authority may enter into agreements to provide for any of the following:

a. That the proceeds of the bonds and notes and the investments of the proceeds may be received, held, and disbursed by the authority or by a trustee or agent designated by the authority.

b. That the bondholders or noteholders or a trustee or agent designated by the authority may collect, invest, and apply the amount payable under the loan agreements or any other instruments securing the debt obligations under the loan agreements.

c. That the bondholders or noteholders may enforce the remedies provided in the loan agreements or other instruments on their own behalf without the appointment or designation of a trustee. If there is a default in the principal of or interest on the bonds or notes or in the performance of any agreement contained in the loan agreements or other instruments, the payment or performance may be enforced in accordance with the loan agreement or other instrument.

d. Other terms and conditions as deemed necessary or appropriate by the authority.

4. The powers granted the authority under [this section](#) are in addition to other powers contained in [this chapter](#). All other provisions of [this chapter](#), except [section 16.28, subsection 4](#), apply to bonds or notes issued and powers granted to the authority under [this section](#) except to the extent they are inconsistent with [this section](#).

5. All bonds or notes issued by the authority in connection with the program are exempt

from taxation by this state and the interest on the bonds or notes is exempt from state income tax.

6. The authority shall determine the interest rate and repayment terms for loans made under the program, in cooperation with the department, and the authority shall enter into loan agreements with eligible entities in compliance with and subject to the terms and conditions of the Clean Water Act, the Safe Drinking Water Act, and any other applicable federal law.

7. The authority shall process, review, and approve or deny loan applications pursuant to eligibility requirements established by rule of the authority and in accordance with the intended use plan applications approved by the department.

8. The authority may charge loan recipients fees and assess costs against such recipients necessary for the continued operation of the program. Fees and costs collected pursuant to [this subsection](#) shall be deposited in the appropriate fund or funds described in [section 16.133A](#).

9. Notwithstanding any provision of [this chapter](#) to the contrary, moneys received under the federal American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, and deposited in the revolving loan funds may be used in any manner permitted or required by applicable federal law.

[88 Acts, ch 1217, §20](#)

[C89, §220.131](#)

[C93, §16.131](#)

[97 Acts, ch 4, §1; 2002 Acts, 2nd Ex, ch 1003, §234, 262; 2009 Acts, ch 30, §1 – 4; 2009 Acts, ch 100, §3, 21; 2014 Acts, ch 1080, §73, 78](#)

Referred to in [§16.131A, 16.132, 16.133, 16.134, 422.7\(2\)\(f\)](#)

#### **16.131A Definitions.**

As used in [section 16.131](#), [this section](#), and [sections 16.132 through 16.135](#), unless the context otherwise requires:

1. “*Clean Water Act*” means the federal Water Pollution Control Act of 1972, Pub. L. No. 92-500, as amended by the Water Quality Act of 1987, Pub. L. No. 100-4, as published in 33 U.S.C. §1251 – 1376, as amended.

2. “*Commission*” means the environmental protection commission created under [section 455A.6](#).

3. “*Cost*” means all costs, charges, expenses, or other indebtedness incurred by a loan recipient and determined by the department as reasonable and necessary for carrying out all works and undertakings necessary or incidental to the accomplishment of any project.

4. “*Department*” means the department of natural resources created in [section 455A.2](#).

5. “*Eligible entity*” means a person eligible under the provisions of the Clean Water Act, the Safe Drinking Water Act, and the commission rules to receive loans for projects from any of the revolving loan funds.

6. “*Loan recipient*” means an eligible entity that has received a loan under the program.

7. “*Municipality*” means a city, county, sanitary district, state agency, or other governmental body or corporation empowered to provide sewage collection and treatment services or drinking water, or any combination of two or more of the governmental bodies or corporations acting jointly, in connection with a project.

8. “*Program*” means the water pollution control works and drinking water facilities financing program created pursuant to [section 455B.294](#).

9. “*Project*” means one of the following:

a. In the context of water pollution control facilities, the acquisition, construction, reconstruction, extension, equipping, improvement, or rehabilitation of any works and facilities useful for the collection, treatment, and disposal of sewage and industrial waste in a sanitary manner including treatment works as defined in section 212 of the Clean Water Act, or the implementation and development of management programs established under sections 319 and 320 of the Clean Water Act, including construction and undertaking of nonpoint source water pollution control projects and related development activities authorized under those sections.

b. In the context of drinking water facilities, the acquisition, construction, reconstruction,



extending, remodeling, improving, repairing, or equipping of waterworks, water mains, extensions, or treatment facilities useful for providing potable water to residents served by a water system, including the acquisition of real property needed for any of the foregoing purposes, and such other purposes and programs as may be authorized under the Safe Drinking Water Act.

10. “*Revolving loan funds*” means the funds of the program established under [sections 16.133A](#) and [455B.295](#).

11. “*Safe Drinking Water Act*” means Tit. XIV of the federal Public Health Service Act, commonly known as the “Safe Drinking Water Act”, 42 U.S.C. §300f et seq., as amended by the Safe Drinking Water Amendments of 1996, Pub. L. No. 104-182, as amended.

12. “*Water system*” means any community water system or nonprofit noncommunity water system, each as defined in the Safe Drinking Water Act, that is eligible under the rules of the department to receive a loan under the program for the purposes of undertaking a project.

[2009 Acts, ch 30, §5](#); [2011 Acts, ch 34, §7](#); [2014 Acts, ch 1080, §74, 78](#)

### **16.132 Security — reserve funds — pledges — nonliability.**

1. The authority may provide in the resolution, trust agreement, or other instrument authorizing the issuance of its bonds or notes pursuant to [section 16.131](#) that the principal of, premium, and interest on the bonds or notes are payable from any of the following and may pledge the same to its bonds and notes:

a. The income and receipts or other money derived from the projects financed with the proceeds of the bonds or notes.

b. The income and receipts or other money derived from designated projects whether or not the projects are financed in whole or in part with the proceeds of the bonds or notes.

c. The amounts on deposit in the revolving loan funds.

d. The amounts payable to the authority by eligible entities pursuant to loan agreements with eligible entities.

e. Any other funds or accounts established by the authority in connection with the program or the sale and issuance of its bonds or notes.

2. The authority may establish reserve funds, to secure one or more issues of its bonds or notes. The authority may deposit in a reserve fund established under [this subsection](#) the proceeds of the sale of its bonds or notes and other money which is made available from any other source.

3. It is the intention of the general assembly that a pledge made in respect of bonds or notes shall be valid and binding from the time the pledge is made, that the money or property so pledged and received after the pledge by the authority shall immediately be subject to the lien of the pledge without physical delivery or further act, and that the lien of the pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the authority whether or not the parties have notice of the lien. Neither the resolution, trust agreement, nor any other instrument by which a pledge is created needs to be recorded or filed under the Iowa uniform commercial code, [chapter 554](#), to be valid, binding, or effective against the parties.

4. Neither the members of the authority nor persons executing the bonds or notes are liable personally on the bonds or notes or are subject to personal liability or accountability by reason of the issuance of the bonds or notes.

5. The bonds or notes issued by the authority are not an indebtedness or other liability of the state or of a political subdivision of the state within the meaning of any constitutional or statutory debt limitations but are special obligations of the authority, and are payable solely from the income and receipts or other funds or property of the authority, and the amounts on deposit in the revolving loan funds, and the amounts payable to the authority under its loan agreements with eligible entities to the extent that the amounts are designated in the resolution, trust agreement, or other instrument of the authority authorizing the issuance of the bonds or notes as being available as security for such bonds or notes. The authority shall not pledge the faith or credit of the state or of a political subdivision of the state to the payment of any bonds or notes. The issuance of any bonds or notes by the authority does

not directly, indirectly, or contingently obligate the state or a political subdivision of the state to apply money from, or levy or pledge any form of taxation whatever to the payment of the bonds or notes.

88 Acts, ch 1217, §21

C89, §220.132

C93, §16.132

97 Acts, ch 4, §2 – 4; 2002 Acts, 2nd Ex, ch 1003, §235, 262; 2003 Acts, ch 44, §15, 114; 2009 Acts, ch 30, §6, 7; 2014 Acts, ch 1080, §75, 78

Referred to in §16.131A, 16.133

### **16.133 Adoption of rules.**

The authority shall adopt rules pursuant to [chapter 17A](#) to implement [sections 16.131](#) and [16.132](#).

88 Acts, ch 1217, §22

C89, §220.133

C93, §16.133

Referred to in §16.131A

### **16.133A Funds and accounts — program funds and accounts not part of state general fund.**

1. The authority may establish and maintain funds and accounts determined to be necessary to carry out the purposes of the program and shall provide for the funding, administration, investment, restrictions, and disposition of the funds and accounts. The department and the authority may combine administration of the revolving loan funds and cross collateralize the same to the extent permitted by the Clean Water Act, the Safe Drinking Water Act, and other applicable federal law. Moneys appropriated to and used by the authority and department for purposes of paying the costs and expenses associated with the administration of the program shall be administered as determined by the authority and department.

2. The funds or accounts held by the authority, or a trustee acting on behalf of the authority pursuant to a trust agreement related to the program, shall not be considered part of the general fund of the state, are not subject to appropriation for any other purpose by the general assembly, and in determining a general fund balance shall not be included in the general fund of the state, but shall remain in the funds and accounts maintained by the authority or trustee pursuant to a trust agreement. Funds and accounts held by the authority, or a trustee acting on behalf of the authority pursuant to a trust agreement related to the program, are separate dedicated funds and accounts under the administration and control of the authority and subject to [section 16.31](#).

2009 Acts, ch 30, §8

Referred to in §16.131, 16.131A, 455B.291

### **16.134 Wastewater and drinking water treatment financial assistance program.**

1. The Iowa finance authority shall establish and administer a wastewater and drinking water treatment financial assistance program. The purpose of the program shall be to provide financial assistance to enhance water quality. The program shall be administered in accordance with rules adopted by the authority pursuant to [chapter 17A](#). For purposes of [this section](#), “program” means the wastewater and drinking water treatment financial assistance program and “committee” means the water quality financing review committee created in [subsection 9](#).

2. A wastewater and drinking water treatment financial assistance fund is created and shall consist of appropriations made to the fund and transfers of interest, earnings, and moneys from other funds as provided by law. Moneys transferred to the fund pursuant to [section 16.134A](#) are appropriated to the authority for purposes of the program. Moneys in the fund are not subject to [section 8.33](#). Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys in the fund shall be credited to the fund.

3. Financial assistance under the program shall be used to install or upgrade wastewater treatment facilities and systems and drinking water treatment facilities and systems,

including source water protection projects, and for engineering or technical assistance for facility planning and design.

4. The committee shall approve financial assistance from the fund in accordance with the following:

a. Priority shall be given for projects in which a disadvantaged community is seeking financial assistance for the installation or upgrade of wastewater treatment facilities and drinking water treatment facilities. For purposes of [this section](#), the term “disadvantaged community” means the same as defined by the department.

b. Priority shall be given to projects meeting criteria established in [section 455B.199B](#) in which the applicant seeks financial assistance to be used with financing under the water pollution control works and drinking water facilities financing program pursuant to [section 16.131](#) or other federal, state, or private financing.

c. Priority shall also be given to projects whose completion will provide significant improvement to water quality in the relevant watershed.

d. Priority shall also be given to communities that employ an alternative wastewater treatment technology pursuant to [section 455B.199C](#).

e. Priority shall also be given to those communities where sewer or water rates are the highest as a percentage of that community’s median household income.

f. Priority shall also be given to communities that employ technology to address the goals of the Iowa nutrient reduction strategy.

g. Priority shall also be given to communities whose drinking water facilities and systems use as a supply, or to projects whose completion will improve, surface waters on the state’s impaired waters list as described in [section 455B.194](#) and [455B.195](#).

h. Financial assistance in the form of grants shall be issued on an annual basis.

i. An applicant shall not receive a grant that exceeds five hundred thousand dollars.

5. A utility management organization formed under [chapter 28E](#) or operated by a rural water system organized under [chapter 357A](#) or [chapter 504](#) shall be considered eligible for financial assistance under the program.

6. The authority in cooperation with the department of natural resources shall provide information and resources to the committee when the committee is determining the qualifications of a community for financial assistance from the fund.

7. The authority shall enter into agreements with financial assistance recipients and distribute moneys under the program pursuant to financial assistance determinations made by the committee. The authority may use an amount of not more than one percent of any moneys appropriated for deposit in the fund for administration purposes.

8. By October 1 of each year, the authority shall submit a report to the governor and the general assembly itemizing expenditures under the program during the previous fiscal year, if any.

9. a. Beginning September 1, 2027, and every ten years thereafter, a program review committee is established for purposes of reviewing the wastewater and drinking water treatment financial assistance program. By December 1 of the same year, the program review committee shall file a report with the governor and the general assembly that reviews the effectiveness of the program during the prior ten fiscal years.

b. The program review committee shall consist of the following members:

(1) The governor or the governor’s designee.

(2) The secretary of agriculture or the secretary’s designee.

(3) The executive director of the authority or the executive director’s designee.

(4) The director of the department of natural resources or the director’s designee.

(5) Four members of the general assembly, with two from the senate and two from the house of representatives and not more than one member from each chamber being from the same political party. The two senators shall be designated one member each by the president of the senate, after consultation with the majority leader of the senate, and by the minority leader of the senate. The two representatives shall be designated one member each by the speaker of the house of representatives, after consultation with the majority leader of the house of representatives, and by the minority leader of the house of representatives.

c. Staffing services shall be provided by the authority.

10. a. A water quality financing review committee is created consisting of the secretary of agriculture or the secretary's designee, the executive director of the authority or the executive director's designee, and the director of the department of natural resources or the director's designee.

b. The committee shall review and approve or deny applications for financial assistance under the wastewater and drinking water treatment financial assistance program established in [this section](#).

[2006 Acts, ch 1179, §63; 2009 Acts, ch 30, §9, 10; 2009 Acts, ch 72, §1; 2014 Acts, ch 1080, §76, 78; 2018 Acts, ch 1001, §4; 2018 Acts, ch 1152, §2, 3](#)

Referred to in [§16.131A, 16.134A](#)

#### **16.134A Water quality financial assistance fund — appropriation.**

1. A water quality financial assistance fund is created in the state treasury as a revolving fund.

2. The fund shall consist of all of the following:

a. (1) Moneys transferred to the fund pursuant to [section 423G.6](#).

(2) This paragraph "a" is repealed on January 1, 2030.

b. Appropriations made to the fund and transfers of interest, earnings, and moneys from other funds as provided by law.

3. For each fiscal year in the period beginning July 1, 2018, and ending June 30, 2029, there is appropriated the following percentages of the balance of the fund for the following purposes:

a. Forty percent to the Iowa finance authority to support the wastewater and drinking water treatment financial assistance program created in [section 16.134](#).

b. Forty-five percent to the Iowa finance authority to be credited to the water quality financing program fund created pursuant to [section 16.153](#).

c. Fifteen percent to the division of soil conservation and water quality of the department of agriculture and land stewardship to support the water quality urban infrastructure program created in [section 466B.44](#).

4. Moneys in the fund are not subject to [section 8.33](#). Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys in the fund shall be credited to the fund.

[2018 Acts, ch 1001, §5; 2019 Acts, ch 59, §12](#)

Referred to in [§16.131A, 16.134, 16.153, 423G.6](#)

#### **16.135 Wastewater viability assessment.**

1. The authority, in cooperation with the department of natural resources and the economic development authority, shall require the use of a wastewater viability assessment for any wastewater treatment facility seeking a grant under the wastewater treatment financial assistance program. A wastewater viability assessment shall determine the long-term operational and financial capacity of the facility and its ratepayers. The authority shall develop minimum criteria for eligibility based on the viability assessment.

2. The authority, in cooperation with the department of natural resources, shall develop a wastewater viability assessment. The assessment shall include as part of the assessment all of the following factors:

a. The ability of the applicant to provide proper oversight and management through a certified operator.

b. The financial ability of the users to support the existing wastewater treatment system, improvements to the wastewater treatment system, and the long-term maintenance of the wastewater treatment system.

[2009 Acts, ch 72, §2; 2011 Acts, ch 34, §8; 2011 Acts, ch 118, §85, 89](#)

Referred to in [§16.131A](#)

**16.136 through 16.140** Reserved.

## PART 3

## UNSEWERED COMMUNITY REVOLVING LOAN PROGRAM

**16.141 Unsewered community revolving loan program — fund.**

1. The authority shall establish and administer an unsewered community revolving loan program. Assistance under the program shall consist of no-interest loans with a term not to exceed forty years and shall be used for purposes of installing sewage disposal systems in a city without a sewage disposal system or in an area where a cluster of homes is located.

2. An unsewered community may apply for assistance under the program. In awarding assistance, the authority shall encourage the use of innovative, cost-effective sewage disposal systems and technologies. The authority shall adopt rules that prioritize applications for disadvantaged unsewered communities.

3. For purposes of [this section](#), “an area where a cluster of homes is located” means an area located in the unincorporated area of a county which includes six or more homes but less than five hundred homes.

4. An unsewered community revolving loan fund is created in the state treasury under the control of the authority and consisting of moneys appropriated by the general assembly and any other moneys available to and obtained or accepted by the authority for placement in the fund.

5. Repayments of moneys loaned and recaptures of loans shall be deposited in the fund.

6. Moneys in the fund shall be used to provide assistance under the unsewered community revolving loan program established in [this section](#).

7. Moneys in the fund are not subject to [section 8.33](#). Notwithstanding [section 12C.7](#), interest or earnings on moneys in the fund shall be credited to the fund.

[2009 Acts, ch 76, §1](#)

Referred to in [§455B.191](#)

**16.142 through 16.150** Reserved.

## PART 4

## WATER QUALITY PROGRAMS

**16.151 Definitions.**

As used in [this part](#), unless the context otherwise requires:

1. “Cost” means all costs, charges, expenses, or other indebtedness incurred by a loan recipient and determined by the authority as reasonable and necessary for carrying out all works and undertakings necessary or incidental to the accomplishment of any project.

2. “Eligible entity” means a municipality or a landowner, as determined by the authority, a public utility as defined in [section 476.1](#), a specified industry, or a rural water district or rural water association as defined in [section 357A.1](#).

3. “Loan recipient” means an eligible entity that has received a loan under the program.

4. “Municipality” means a governmental body such as a state agency or a political subdivision of the state. Municipality includes but is not limited to a city, city utility, county, soil and water conservation district, sanitary district, a subdistrict of any of the foregoing districts, a state agency, or other governmental body or corporation empowered to provide sewage collection and treatment services or drinking water, or any entity jointly exercising governmental powers pursuant to [chapter 28E](#) or [28F](#), or any other combination of two or more governmental bodies or corporations acting jointly under the laws of this state in connection with a project.

5. “Program” means the water quality financing program created in [this part](#).

6. “Project” means any combination of improvements, structures, developments, tasks, actions, constructions, modifications, operations, or practices designed to improve water quality that are proposed by an eligible entity and approved by the authority. “Project” includes but is not limited to any of the following:

- a. A project meeting the requirements of [part 2 of this subchapter](#).
- b. A project, operation, or practice undertaken or carried out to address watershed protection, flood prevention, or water quality improvement.
- c. A project meeting the requirements of a sponsor project under [section 455B.199](#).
7. “*Specified industry*” means any of the following:
  - a. An entity engaged in an industry identified in the Iowa nutrient reduction strategy, as determined by the authority, which industry is or will be required pursuant to the Iowa nutrient reduction strategy to collect data on the source, concentration, and mass of total nitrogen or total phosphorus in its effluent, and to evaluate alternatives for reducing the amount of nutrients in its discharge.
  - b. An entity implementing technology or operational improvements to reduce nutrients in its discharge.

[2018 Acts, ch 1001, §6](#); [2018 Acts, ch 1152, §4, 5](#)

#### **16.152 Water quality financing program.**

1. The authority, in cooperation with the department of natural resources and the department of agriculture and land stewardship, shall establish and administer a water quality financing program. The purpose of the program shall be to provide financial assistance to enhance the quality of surface water and groundwater, particularly by providing financial assistance for projects designed to improve water quality by addressing point and nonpoint sources, with a higher prioritization provided to collaborative efforts.

2. The authority shall determine the interest rate and repayment terms for loans made under the program, in cooperation with the department of natural resources and the department of agriculture and land stewardship, and the authority shall enter into loan agreements with eligible entities in compliance with and subject to the terms and conditions of the program as described in [this part](#).

3. The authority may charge loan recipients fees and assess costs against such recipients necessary for the continued operation of the program. Such fees and costs shall not exceed the costs directly associated with the administration of the program. Fees and costs collected pursuant to [this subsection](#) shall be deposited in the appropriate fund or account created in [section 16.153](#).

4. The program shall be administered by the authority in accordance with rules adopted by the authority pursuant to [chapter 17A](#).

[2018 Acts, ch 1001, §7](#)

#### **16.153 Water quality financing program fund — other funds — trust agreement.**

1. a. A water quality financing program fund is created and shall consist of appropriations made to the fund, moneys credited to the fund pursuant to [section 16.134A](#), and transfers of interest, earnings, and moneys from other funds as provided by law. The fund shall be administered by the authority as a revolving fund. Moneys in the fund are appropriated to the authority for purposes of the program. Notwithstanding [section 8.33](#), moneys in the 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. Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys in the fund shall be credited to the fund.

b. The authority shall use the moneys in the fund to provide financial assistance to eligible entities under the program. The authority may provide financial assistance in the form deemed most convenient for the efficient financing of projects, including loans, forgivable loans, or grants. The authority shall administer the fund and the program in such a manner as to provide a permanent source of water quality project financial assistance to eligible entities.

c. The authority may annually use an amount of not more than one percent of the moneys in the fund for administrative purposes.

2. a. The authority may establish and maintain other funds and accounts determined to be necessary to carry out the purposes of the program and shall provide for the funding, administration, investment, restrictions, and disposition of the funds and accounts.

b. Moneys appropriated to and used by the authority for purposes of paying the costs

and expenses associated with the administration of the program shall be administered as determined by the authority.

c. All moneys transferred to the authority for purposes of the program shall be deposited and held in a fund or account established and maintained pursuant to [this section](#).

3. The funds or accounts held by the authority, or a trustee acting on behalf of the authority pursuant to a trust agreement related to the program, shall not be considered part of the general fund of the state, are not subject to appropriation for any other purpose by the general assembly, and in determining a general fund balance shall not be included in the general fund of the state, but shall remain in the funds and accounts maintained by the authority or trustee pursuant to a trust agreement. Funds and accounts held by the authority, or a trustee acting on behalf of the authority pursuant to a trust agreement related to the program, are separate dedicated funds and accounts under the administration and control of the authority and subject to [section 16.31](#).

4. By October 1, 2019, and by October 1 of each year thereafter, the authority shall submit a report to the governor and the general assembly itemizing expenditures from the fund, if any, during the previous fiscal year.

[2018 Acts, ch 1001, §8](#); [2018 Acts, ch 1152, §6](#)

Referred to in [§16.134A](#), [16.152](#)

#### **16.154 Eligible entities — agreements required.**

1. An eligible entity may apply to the authority for financial assistance under the program by submitting a plan that meets all of the following requirements:

a. The plan includes 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 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.

2. The authority shall review and approve or deny applications for financial assistance. The provision of financial assistance under the program shall take into account, as applicable, the number of municipalities, landowners, public utilities, specified industries, rural water districts, or rural water associations comprising an eligible entity and the eligible entity's financing capacity. The authority shall score applications for financial assistance according to rules adopted pursuant to this part. The authority shall only provide financial assistance to eligible entities that have sufficient financing capacity and that submit an appropriate plan designed to improve water quality.

3. If an application by an eligible entity is approved, the eligible entity may enter into an agreement with the authority for the provision of financial assistance. The agreement shall include standard terms for the receipt of program moneys and any other terms the authority deems necessary or convenient for the efficient administration of the program.

[2018 Acts, ch 1001, §9](#); [2018 Acts, ch 1152, §7, 8](#); [2019 Acts, ch 59, §13, 14](#)

## PART 5

### 911 PROGRAM

**16.155 Residential treatment facilities.** Repealed by 2014 Acts, ch 1080, §111, 114. See [§16.57](#).

**16.156 through 16.160** Reserved.

#### **16.161 Authority to issue 911 program bonds and notes.**

1. The authority shall assist the program manager, appointed pursuant to [section 34A.2A](#), as provided in [chapter 34A, subchapter II](#), and the authority shall have all of the powers delegated to it by a joint 911 service board or the department of public defense in a [chapter](#)

[28E](#) agreement with respect to the issuance and securing of bonds or notes and the carrying out of the purposes of [chapter 34A](#).

2. The authority shall provide a mechanism for the pooling of funds of two or more joint 911 service boards to be used for the joint purchasing of necessary equipment and reimbursement of land-line and wireless service providers' costs for upgrades necessary to provide 911 service. When two or more joint 911 service boards have agreed to pool funds for the purpose of purchasing necessary equipment to be used in providing 911 service, the authority shall issue bonds and notes as provided in [sections 34A.20 through 34A.22](#).

[90 Acts, ch 1144, §5](#)

C91, §220.161

C93, §16.161

[98 Acts, ch 1101, §1, 2, 16; 99 Acts, ch 96, §3; 2004 Acts, ch 1175, §461; 2018 Acts, ch 1026, §9](#)

## PART 6

### COMMUNITY COLLEGE DORMITORIES

#### **16.162 Authority to issue community college dormitory bonds and notes.**

The authority shall assist a community college or the state board of education as provided in [chapter 260C](#), and the authority shall have all of the powers delegated to it in a [chapter 28E](#) agreement by a community college board of directors, the state board of education, or a private developer contracting with a community college to develop a housing facility, such as a dormitory, for the community college, with respect to the issuance or securing of bonds or notes as provided in [sections 260C.71 and 260C.72](#).

[90 Acts, ch 1253, §75; 90 Acts, ch 1254, §5](#)

C91, §220.162

C93, §16.162

[2011 Acts, ch 20, §2](#)

**16.163 through 16.170** Reserved.

## PART 7

### RECOVERY ZONE BONDS

**16.171 Recovery zone bonds — reporting — reallocation.** Repealed by 2014 Acts, ch 1080, §111, 114.

**16.172 through 16.176** Repealed by 92 Acts, ch 1001, §7.

## PART 8

### PRISON INFRASTRUCTURE REVENUE BONDS

#### **16.177 Prison infrastructure revenue bonds.**

1. The authority is authorized to issue its bonds to provide prison infrastructure financing as provided in [this section](#). The bonds may only be issued to finance projects which have been approved for financing by the general assembly. Bonds may be issued in order to fund the construction and equipping of a project or projects, the payment of interest on the bonds, the establishment of reserves to secure the bonds, the costs of issuance of the bonds and other expenditures incident to or necessary or convenient to carry out the bond issue. The bonds are investment securities and negotiable instruments within the meaning of and for the purposes of the uniform commercial code, [chapter 554](#).



2. The department of corrections is authorized to pledge amounts in the Iowa prison infrastructure fund established under [section 602.8108A](#) as security for the payment of the principal of, premium, if any, and interest on the bonds. Bonds issued under [this section](#) are payable solely and only out of the moneys, assets, or revenues of the fund, all of which may be deposited with trustees or depositories in accordance with bond or security documents, and are not an indebtedness of this state or the authority, or a charge against the general credit or general fund of the state or the authority, and the state shall not be liable for the bonds except from amounts on deposit in the fund. Bonds issued under [this section](#) shall contain a statement that the bonds do not constitute an indebtedness of the state or the authority.

3. The proceeds of bonds issued by the authority and not required for immediate disbursement may be deposited with a trustee or depository as provided in the bond documents and invested in any investment approved by the authority and specified in the trust indenture, resolution, or other instrument pursuant to which the bonds are issued without regard to any limitation otherwise provided by law.

4. The bonds shall be:

a. In a form, issued in denominations, executed in a manner, and payable over terms and with rights of redemption, and be subject to such other terms and conditions as prescribed in the trust indenture, resolution, or other instrument authorizing their issuance.

b. Negotiable instruments under the laws of the state and may be sold at prices, at public or private sale, and in a manner, as prescribed by the authority. [Chapters 73A, 74, 74A, and 75](#) do not apply to the sale or issuance of the bonds.

c. Subject to the terms, conditions, and covenants providing for the payment of the principal, redemption premiums, if any, interest, and other terms, conditions, covenants, and protective provisions safeguarding payment, not inconsistent with [this chapter](#) and as determined by the trust indenture, resolution, or other instrument authorizing their issuance.

5. The bonds are securities in which public officers and bodies of this state, political subdivisions of this state, insurance companies and associations and other persons carrying on an insurance business, banks, trust companies, savings associations, and investment companies, administrators, guardians, executors, trustees, and other fiduciaries, and other persons authorized to invest in bonds or other obligations of the state, may properly and legally invest funds, including capital, in their control or belonging to them.

6. Bonds must be authorized by a trust indenture, resolution, or other instrument of the authority. However, a trust indenture, resolution, or other instrument authorizing the issuance of bonds may delegate to an officer of the issuer the power to negotiate and fix the details of an issue of bonds.

7. Neither the resolution or trust agreement, nor any other instrument by which a pledge is created is required to be recorded or filed under the uniform commercial code, [chapter 554](#), to be valid, binding, or effective.

8. Bonds issued under [this section](#) are declared to be issued for an essential public and governmental purpose and all bonds issued under [this section](#) shall be exempt from taxation by the state of Iowa and the interest on the bonds shall be exempt from the state income tax and the state inheritance tax.

9. The authority shall cooperate with the department of corrections in the implementation of [this section](#).

[94 Acts, ch 1196, §20; 95 Acts, ch 202, §11; 2005 Acts, ch 3, §14; 2008 Acts, ch 1119, §4; 2010 Acts, ch 1138, §50; 2012 Acts, ch 1017, §42; 2014 Acts, ch 1076, §13](#)

Referred to in [§8.57F, 422.7\(2\)\(g\), 602.8108A](#)

**16.178 through 16.180** Reserved.

PART 9  
HOUSING TRUST FUND

**16.181 Housing trust fund.**

1. *a.* A housing trust fund is created within the authority. The moneys in the housing trust fund are annually appropriated to the authority to be used for the development and preservation of affordable housing for low-income people in the state and for the Iowa mortgage help initiative. Payment of interest, recaptures of awards, or other repayments to the housing trust fund shall be deposited in the fund. Notwithstanding [section 12C.7](#), interest or earnings on moneys in the housing trust fund or appropriated to the fund shall be credited to the fund. Notwithstanding [section 8.33](#), unencumbered and unobligated moneys remaining in the fund at the close of each fiscal year shall not revert but shall remain available for expenditure for the same purposes in the succeeding fiscal year.

*b.* Assets in the housing trust fund shall consist of all of the following:

(1) Any moneys received by the authority from the national housing trust fund created pursuant to the federal Housing and Economic Recovery Act of 2008, Pub. L. No. 110-289.

(2) Any assets transferred by the authority for deposit in the housing trust fund.

(3) Any other moneys appropriated by the general assembly and any other moneys available to and obtained or accepted by the authority for placement in the housing trust fund.

*c.* The authority shall create the following programs within the housing trust fund:

(1) Local housing trust fund program. At least sixty percent of available moneys in the housing trust fund shall be allocated for the local housing trust fund program.

(2) Project-based housing program. Moneys remaining in the housing trust fund after the allocation in subparagraph (1) shall be used to make awards to project-based housing programs located in areas where a local housing trust fund does not exist or for a project-based housing program that is not eligible for funding through a local housing trust fund.

2. *a.* In order to be eligible to apply for funding from the local housing trust fund program, a local housing trust fund must be approved by the authority and have all of the following:

(1) A local governing board recognized by the city, county, council of governments, or regional officials as the board responsible for coordinating local housing programs.

(2) A housing assistance plan approved by the authority.

(3) Sufficient administrative capacity in regard to housing programs.

(4) A local match requirement approved by the authority.

*b.* An award from the local housing trust fund program shall not exceed ten percent of the balance in the program at the beginning of the fiscal year plus ten percent of any deposits made during the fiscal year.

*c.* By December 31 of each year, a local housing trust fund receiving moneys from the local housing trust fund program shall submit a report to the authority itemizing expenditures of the awarded moneys.

3. The authority shall adopt rules pursuant to [chapter 17A](#) necessary to administer [this section](#).

[2003 Acts, ch 179, §101; 2008 Acts, ch 1032, §6; 2009 Acts, ch 43, §6 – 8; 2010 Acts, ch 1193, §104](#)

Referred to in [§16.91, 16.181A, 428A.8, 543B.46, 543D.21, 543E.18](#)

**16.181A Housing trust fund — appropriations.**

1. There is appropriated from the rebuild Iowa infrastructure fund to the Iowa finance authority for deposit in the housing trust fund created in [section 16.181](#), for the fiscal year beginning July 1, 2009, and beginning July 1, 2011, and for each succeeding fiscal year, the sum of three million dollars.

2. There is appropriated from the rebuild Iowa infrastructure fund to the Iowa finance authority for deposit in the housing trust fund created in [section 16.181](#), for the fiscal year beginning July 1, 2010 and ending June 30, 2011, the sum of one million dollars.

[2008 Acts, ch 1179, §54; 2010 Acts, ch 1184, §84; 2010 Acts, ch 1193, §37](#)

**16.182 through 16.185** Repealed by 2014 Acts, ch 1080, §111, 114.

**16.186 and 16.187** Repealed by 2010 Acts, ch 1184, §95.

**16.188 Workforce housing assistance grant fund.** Repealed by 2014 Acts, ch 1080, §111, 114. See [§16.50](#).

**16.189 and 16.190** Reserved.

## PART 10

### IOWA JOBS PROGRAM

Referred to in [§16.16](#)

**16.191 Iowa jobs board.** Repealed by 2013 Acts, ch 142, §27.

**16.192 Board duties and powers.** Repealed by 2013 Acts, ch 142, §27.

#### **16.193 Iowa finance authority duties — appropriation.**

1. The authority shall adopt administrative rules pursuant to [chapter 17A](#) necessary to administer the Iowa jobs program and Iowa jobs II program. The authority shall be responsible for providing technical assistance and application assistance to applicants under the programs, negotiating contracts, and providing project follow up.

2. For the period beginning July 1, 2009, and ending June 30, 2011, two hundred thousand dollars of the moneys deposited in the rebuild Iowa infrastructure fund shall be allocated each fiscal year to the Iowa finance authority for purposes of administering the Iowa jobs program and Iowa jobs II program, notwithstanding [section 8.57, subsection 5](#), paragraph “c”.

3. a. During the term of the Iowa jobs program and Iowa jobs II program, the Iowa finance authority shall collect data on all of the projects approved for the programs. The department of management and the state agencies associated with the projects shall assist the authority with the data collection and in developing the report required by [this subsection](#). The authority shall report quarterly to the governor and the general assembly concerning the data.

b. The report shall include but is not limited to all of the following:

(1) The nature of each project and its purpose.

(2) The status of each project and the amount and percentage of program funds expended for the project.

(3) The outside funding that is matched or leveraged by the program funds.

(4) The number of jobs created or retained by each project.

(5) For each project, the names of the project contractors, state of residence of the project contractors, and the state of residence of the contractors’ employees.

c. The authority shall maintain an internet site that allows citizens to track project data on a county-by-county basis.

[2009 Acts, ch 173, §7, 36; 2010 Acts, ch 1184, §86, 87, 96; 2011 Acts, ch 34, §10, 11; 2011 Acts, ch 131, §52, 158; 2011 Acts, ch 133, §28, 50; 2012 Acts, ch 1021, §134; 2013 Acts, ch 142, §13](#)

#### **16.194 Iowa jobs program.**

1. An Iowa jobs program is created to assist in the development and completion of public construction projects relating to disaster relief and mitigation and to local infrastructure. “Local infrastructure” includes projects relating to disaster rebuilding, reconstruction and replacement of local public buildings, flood control and flood protection, and future flood prevention.

2. A city or county or a public organization in this state may submit an application to the authority for financial assistance for a local infrastructure competitive grant for an eligible

project under the program, notwithstanding any limitation on the state's percentage in funding as contained in [section 29C.6, subsection 17](#).

3. Financial assistance under the program shall be awarded in the form of grants.

4. The authority shall consider the following criteria in evaluating eligible projects to receive financial assistance under the program:

a. The total number and quality of jobs to be created and the benefits likely to accrue to areas distressed by high unemployment.

b. Financial feasibility, including the ability of projects to fund depreciation costs or replacement reserves, and the availability of other federal, state, local, and private sources of funds.

c. Sustainability and energy efficiency.

d. Benefits for disaster recovery.

e. The project's readiness to proceed.

5. An applicant must demonstrate local support for the project as defined by rule.

6. Any award of financial assistance to a project shall be limited as follows:

a. Up to seventy-five percent of the total cost of a project for replacing or rebuilding existing disaster-related damaged property.

b. Up to fifty percent of the total cost for all other projects.

7. In order for a project to be eligible to receive financial assistance from the authority, the project must be a public construction project pursuant to [subsection 1](#) with a demonstrated substantial local, regional, or statewide economic impact.

8. The authority shall not approve an application for assistance for any of the following purposes:

a. To refinance a loan existing prior to the date of the initial financial assistance application.

b. For a project that has previously received financial assistance under the program, unless the applicant demonstrates that the financial assistance would be used for a significant expansion of a project.

9. a. The total amount of allocations for future flood prevention, reconstruction and replacement of local public buildings, disaster rebuilding, flood control and flood protection projects shall not exceed one hundred sixty-five million dollars for the fiscal year beginning July 1, 2009.

b. Any portion of an amount allocated for projects that remains unexpended or unencumbered one year after the allocation has been made may be reallocated to another project category, at the discretion of the authority. The authority shall ensure that all bond proceeds be expended within three years from when the allocation was initially made.

10. The authority shall ensure that funds obligated under [this section](#) are coordinated with other federal program funds received by the state, and that projects receiving funds are located in geographically diverse areas of the state.

11. For purposes of [this section](#), "public organization" means a nonprofit organization that sponsors or supports the public needs of the local community.

[2009 Acts, ch 173, §8, 36; 2013 Acts, ch 142, §14 – 19](#)

Referred to in [§12.87, 16.195](#)

#### **16.194A Iowa jobs II program — disaster prevention.**

1. An Iowa jobs II program is created to assist in the development and completion of public construction projects relating to disaster prevention including but not limited to the construction of, or the replacement or reconstruction of, local public buildings in a manner that mitigates damages from future disasters, including flooding.

2. A city or county in this state that applies the smart planning principles and guidelines pursuant to [sections 18B.1 and 18B.2](#) may submit an application to the authority for financial assistance for a local infrastructure competitive grant for an eligible project under the program, notwithstanding any limitation on the state's percentage in funding as contained in [section 29C.6, subsection 17](#).

3. Financial assistance under the program shall be awarded in the form of grants.

4. The authority shall consider the following criteria in evaluating eligible projects to receive financial assistance under the program:

a. The total number and quality of jobs to be created and the benefits likely to accrue to areas distressed by high unemployment.

b. Financial feasibility, including the ability of projects to fund depreciation costs or replacement reserves, and the availability of other federal, state, local, and private sources of funds.

c. Sustainability and energy efficiency.

d. Benefits for disaster prevention.

e. The project's readiness to proceed.

5. An applicant must demonstrate local support for the project as defined by rule.

6. Any award of financial assistance to a project shall be limited to up to ninety percent of the total cost of the development and completion of a public construction project relating to disaster prevention consistent with the purposes of the program as specified in [subsection 1](#).

7. In order for a project to be eligible to receive financial assistance from the authority, the project must be a public construction project pursuant to [subsection 1](#) with a demonstrated substantial local, regional, or statewide economic impact.

8. The authority shall not approve an application for assistance for any of the following purposes:

a. To refinance a loan existing prior to the date of the initial financial assistance application.

b. For a project that has previously received financial assistance under the program, unless the applicant demonstrates that the financial assistance would be used for a significant expansion of a project.

9. Any portion of an amount allocated for projects that remains unexpended or unencumbered one year after the allocation has been made may be reallocated to another project category, at the discretion of the authority. The authority shall ensure that all bond proceeds be expended within three years from when the allocation was initially made.

10. The authority shall ensure that funds obligated under [this section](#) are coordinated with other federal program funds received by the state, and that projects receiving funds are located in geographically diverse areas of the state.

11. An applicant or combination of applicants for a project within the same county shall not be awarded more than forty percent of the funds available under this program.

[2010 Acts, ch 1184, §88; 2013 Acts, ch 142, §20 – 22](#)

Referred to in [§12.87, 16.195](#)

#### **16.195 Iowa jobs and Iowa jobs II program application review.**

1. Applications for assistance under the Iowa jobs program and Iowa jobs II program shall be submitted to the authority for review and approval.

2. When reviewing the applications, the authority shall consider the project criteria specified in [sections 16.194](#) and [16.194A](#). The authority shall develop the appropriate level of transparency regarding project fund allocations.

3. Upon approval of an application for financial assistance under the programs, the authority shall notify the treasurer of state regarding the amount of moneys needed to satisfy the award of financial assistance and the terms of the award. The treasurer of state shall notify the authority any time moneys are disbursed to a recipient of financial assistance under the programs.

[2009 Acts, ch 173, §9, 36; 2010 Acts, ch 1184, §89; 2011 Acts, ch 34, §12; 2013 Acts, ch 90, §14; 2013 Acts, ch 142, §23](#)

Referred to in [§16.196](#)

#### **16.196 Iowa jobs program projects — appropriations.**

1. There is appropriated from the revenue bonds capitals fund created in [section 12.88](#), to the authority, for the fiscal year beginning July 1, 2009, and ending June 30, 2010, one hundred sixty-five million dollars to be allocated as follows:

a. One hundred eighteen million five hundred thousand dollars for competitive grants for

local infrastructure projects relating to disaster rebuilding, reconstruction and replacement of local buildings, flood control and flood protection, and future flood prevention public projects. An applicant for a local infrastructure grant shall not receive more than fifty million dollars in financial assistance from the fund.

b. Forty-six million five hundred thousand dollars for disaster relief and mitigation and local infrastructure grants for the following renovation and construction projects, notwithstanding any limitation on the state's percentage participation in funding as contained in [section 29C.6, subsection 17](#):

(1) For grants to a county with a population between one hundred eighty-nine thousand and one hundred ninety-six thousand in the latest preceding certified federal census, to be distributed as follows:

(a) Ten million dollars for the construction of a new, shared facility between nonprofit human service organizations serving the public, especially the needs of low-income Iowans, including those displaced as a result of the disaster of 2008.

(b) Five million dollars for the construction or renovation of a facility for a county-funded workshop program serving the public and particularly persons with mental illness or developmental disabilities.

(2) For grants to a city with a population between one hundred ten thousand and one hundred twenty thousand in the latest preceding certified federal census, to be distributed as follows:

(a) Five million dollars for an economic redevelopment project benefiting the public by improving energy efficiency and the development of alternative and renewable energy technologies.

(b) Ten million dollars for a museum serving the public and dedicated to the preservation of an eastern European cultural heritage through the collection, exhibition, preservation, and interpretation of historical artifacts.

(c) Five million dollars for a theater serving the public and promoting culture, entertainment, and tourism.

(d) Five million dollars for a public library.

(e) Five million dollars for a public works building.

(3) One million five hundred thousand dollars, to be distributed as follows:

(a) Five hundred thousand dollars to a city with a population between six hundred and six hundred fifty in the latest preceding certified federal census, for a public fire station.

(b) Five hundred thousand dollars to a city with a population between one thousand four hundred and one thousand five hundred in the latest preceding certified federal census, for a public fire station.

(c) Five hundred thousand dollars for a city with a population between seven thousand eight hundred and seven thousand eight hundred fifty, for a public fire station.

2. Grant awards for a project under [subsection 1](#), paragraph "b", are contingent upon submission of a plan for each project by the applicable county or city governing board or in the case of a project submitted pursuant to [subsection 1](#), paragraph "b", subparagraph (2), subparagraph division (b), by the board of directors, to the authority, no later than September 1, 2009, detailing a description of the project, the plan to rebuild, and the amount or percentage of federal, state, local, or private matching moneys which will be or have been provided for the project. Funds not utilized in accordance with [subsection 1](#), shall revert to the revenue bonds capitals fund. A grant recipient under [subsection 1](#), paragraph "b", shall not be precluded from applying for a local infrastructure competitive grant pursuant to [this section](#) and [section 16.195](#).

3. Annually, on or before January 15 of each year, the authority shall report to the legislative services agency and the department of management the status of all projects receiving moneys from the fund completed or in progress. The report shall include a description of the project, the progress of work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds expended, the amount of funds obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

4. Payment of moneys appropriated from the fund shall be made in a manner that does

not adversely affect the tax-exempt status of any outstanding bonds issued by the treasurer of state.

[2009 Acts, ch 173, §10, 36](#); [2013 Acts, ch 142, §24](#)

**16.197 Limitation of liability.** Repealed by 2014 Acts, ch 1080, §111, 114. See [§16.16](#).

**16.198 through 16.200** Reserved.

**16.201 Jumpstart housing assistance program.** Repealed by 2014 Acts, ch 1080, §111, 114. See [§16.56](#).

**16.202 through 16.210** Reserved.

**16.211 and 16.212** Repealed by 2014 Acts, ch 1080, §111, 114.

**16.213 through 16.220** Reserved.

**16.221 Agricultural development division — administration of programs.** Repealed by 2014 Acts, ch 1080, §111, 114. See [§16.2B](#).