

February 17, 2023 – Week 6

The Iowa legislature is moving quickly toward the first funnel deadline on March 3, when policy bills must make it out of a committee in at least one chamber. Tax and appropriations bills are exempt from this requirement. Subcommittees and committees are meeting at a brisk pace and debating some bills on the floor as well. A series of social issue bills by Republicans in both chamber and a death penalty bill in the Senate are taking significant time and attention. New bill drafts are still dropping every day. One of the property tax bills, [SSB1124](#), was voted out of subcommittee this week and will be brought up on Monday in Senate Ways and Means, where it is expected to pass. Senator Dawson, Chair of Senate Ways and Means, has indicated that this is the first step in a longer, ongoing discussion about property tax reform.

Last week, the Advocacy team was in Washington, DC for the national advocacy conference, *Habitat on the Hill*. We joined with nearly 400 Habitat advocates from across the country and conducted over 300 meetings with members of our federal delegation to advocate for affordable homeownership. The Iowa delegation met with Rep. Zach Nunn, and housing policy staff from Sens. Grassley and Ernst and Reps. Miller Meeks and Hinson offices and discussed legislative priorities, FY2024 funding and how Habitat utilizes federal funding in Iowa.

For a peek inside our day on Capitol Hill, check out this [short video](#). Inspired or wish you could have been there? Help us by adding **YOUR** voice by contacting your senator and representative [here](#).

*Key Legislation:*

[HF141](#) (formerly [HSB22](#)): The legislation increases the property tax exemption for veterans. It increases the exemption to the assessed property value from \$1,852 to \$4,000. The exemption has not been increased since 1974 and the Legislative Services Agency estimates that veterans will receive average relief of \$100-\$150 annually. The bill is now in Ways and Means and a [fiscal note](#) was released this week. **Support.**

[SF174](#) (formerly [SF43](#)): The bill prohibits cities or counties from adopting rules, ordinances, code or other regulations that are more restrictive building standards than national code. The Senate Local Government committee passed the bill out of committee and is eligible for consideration by the Senate. **Undecided.**

[SF15](#): This legislation appropriates an additional \$500,000 to the military homeownership down payment assistance program. The Veterans Affairs committee passed it this week and it has

been assigned to the Appropriations committee and a subcommittee has been assigned. Further action will be later in the session, as it is now funnel proof in the Appropriations committee. **Support.**

**HF1:** The House released its first draft of its property tax reform legislation. Division 1 impacts the school aid formula, shifting 50 cents of the \$5.40 school aid foundation levy to state aid. Division 2 limits future assessments of “actual value” on individual parcels to 103% of the previous assessment year (3% cap on increase). Division 3 relates to bonding requirements and public noticing. A subcommittee discussed the bill on February 6. **Undecided.**

**HF111/SF150** (formerly **HSB4/SSB1007**): This legislation exempts transfers to beneficiaries of a trust from paying the real estate transfer tax. The bill essentially codifies what is current practice and is not expected to impact funding to the housing trust funds. HF111 passed the House unanimously and the Senate subcommittee moved it forward this week to be considered by the Ways and Means committee. **Undecided.**

**SF182** (formerly **SF10**): The bill is a “re-brand” of the land banks bill that has been introduced in recent years by Senator Mark Lofgren. While the new name, land redevelopment trusts bill, has caused some confusion among housing advocates, the legislation is the same as previous years and establishes a land bank, not a trust. The Ways and Means committee passed the bill. **Support.**

**HSB124:** This is the companion bill to SF182 (above). A subcommittee was held on February 8 and moved it forward to the full committee for consideration. **Support.**

**HF 163**(formerly **HF37**): This bill expands the disabled veteran homestead tax credit. The Veterans Affairs committee passed it and it is eligible for consideration by the House chamber. **Support.**

**Key Dates:**

**March 3:** First Funnel Deadline

**March 31:** Second Funnel Deadline

**April 28:** 110<sup>th</sup> Calendar Day of Session (*per diem* expenses end per Iowa Code)

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**updates**

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