

March 28, 2024 – Week 12

As the legislature moves toward adjournment in the upcoming couple weeks, the pace in the building has changed. The focus has been on legislation in Ways and Means and Appropriations committees, as well as floor work. The past week has been busy with debate on Governor Reynolds' education priorities and also the House passed eminent domain legislation before adjourning for the Easter weekend. Senate committees met this week to confirm Governor appointees as well.

**Housing advocacy win this week!** The House voted on HF2634, the legislation to remove the cap on the real estate transfer tax. The bill passed the House unanimously, 95-0. Housing partners are working with Senators on the Senate Ways and Means committee to have a subcommittee to continue the conversation and educate how State Housing Trust Funds are important local partners and especially beneficial in rural Iowa. The measure faces an uncertain future given budget constraints and tight reins on spending.

Republican leadership in the Senate and House released budget targets for the next fiscal year on Thursday, with just 20 days left in the session. The House is proposing increased spending \$402.8 million in increased spending (a 4.71% increase) for FY2025. Compared to Governor Reynolds' [proposed budget](#), this is about \$35 million additional. The Senate's FY2025 proposed budget target is substantially lower than both the House and the Governor's proposals, approximately \$82 million lower than the House Republican budget and \$47 million lower than the Governor's budget plan. Additional details have not yet been released. As budget negotiations begin in earnest now, we will be monitoring as closely as possible for impact to housing programs. Passing the budget is the final action before adjourning *sine die* and with significant space between the proposals, budget negotiations will likely be lengthy and intense, especially with discussion around income tax cuts.

Please reach out to [Rachel](#) with any questions! See below for an update on the legislation Greater Des Moines Habitat for Humanity is following.

**Key Legislation:**

**HF2634:** This legislation removes the cap on the real estate transfer tax and would increase monies to the State Housing Trust Fund. The Legislative Services Agency's [fiscal note](#) estimates approximately \$3 million increase in funds by 2028. The Iowa House passed it unanimously this week, 95-0. (Formerly HSB557) **Support.**

**HF2420:** This legislation increases the Workforce Housing Tax Credit funding from \$35 million to \$50 million. The measure passed Economic Growth committee and has been referred to the Ways and Means committee for further consideration. The House Ways and Means subcommittee moved it forward on Tuesday, 3-0. An amendment to increase the per unit cost cap is expected to be proposed. **Support.**

**HF2167/SF2193:** The bill extends the period for families to access case management following disaster and increases the grant limit from \$5,000 to \$7,000 per household, essentially an adjustment for inflation.

# advocacy updates



The House voted on the bill and passed it unanimously, 97-0. The Senate Appropriations committee approved the bill on Tuesday, and it is eligible for consideration by the Senate Chamber. (Formerly [SSB3061/ HSB549](#)). **Support.**

[HF2388/SF2231](#) (formerly [SSB3040](#)): This legislation prohibits cities from regulating certain building materials for the exteriors of residential buildings. The House passed the bill, and it is in Senate for consideration. The bill is currently on the Senate Unfinished Calendar, making it funnel proof. **Support.**

[HF665/SF182](#): This bill allows municipalities to establish land redevelopment trusts (i.e. land banks) and allows those entities to acquire property through tax sale and related methods. The Senate Ways and Means committee passed the bill and it is eligible for consideration by the Senate. **Support.**

[SF455](#): This bill prohibits a county or city from adopting ordinances on storm water regulation that exceeds or conflicts with federal or state statutes. It also prohibits a city from adopting ordinances relating to the preservation, compaction, placement, or depth of topsoil at a construction site. The bill has now passed both the Senate (2023) and the House earlier this week with amendment, on a vote of 53-46. The Senate concurred with the House amendment this week and the enrolled bill now goes to the Governor for her signature or veto. **Undecided.**

## **Key Dates:**

**April 16:** 100<sup>th</sup> Day of Session (*per diem* expenses end per Iowa Code)