

# CHAPTER 15G

## ECONOMIC GROWTH AND EXPANSION ACTIVITIES

[SP] For provisions regarding transition of department of economic development employees to the economic development authority and limitations on the Iowa innovation corporation's employment of former department employees, see 2011 Acts, ch 118, §19

[SP] For provisions regarding continuation of financial assistance by the economic development authority, transfer of funds under the control of the department of economic development to the economic development authority, continuation of licenses, permits, or contracts by the economic development authority, continuation of financial assistance awards under the grow Iowa values financial assistance program, and availability of federal funds to employ certain personnel, see 2011 Acts, ch 118, §20, 89

[T] For provisions regarding continuing validity of department of economic development administrative rules, see 2011 Acts, ch 118, §18

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### SUBCHAPTER I

#### ECONOMIC DEVELOPMENT FUND AND FINANCIAL ASSISTANCE PROGRAM

[SP] For future repeal of this subchapter effective June 30, 2012, see §15G.107

#### 15G.101 Definitions.

For purposes of this chapter, unless the context otherwise requires:

1. "Authority" means the economic development authority created in section 15.105.
2. "Base employment level" means the number of full-time equivalent positions at a business, as established by the authority and a business using the business's payroll records, as of the date a business applies for financial assistance under the program.
3. "Benefit" means nonwage compensation provided to an employee. Benefits typically include medical and dental insurance plans, pension, retirement, and profit-sharing plans, child care services, life insurance coverage, vision insurance coverage, disability insurance coverage, and any other nonwage compensation as determined by the authority.
4. "County wage" means the county wage calculation performed by the authority pursuant to section 15G.112, subsection 3.
5. "Created job" means a new, permanent, full-time equivalent position added to a business's payroll in excess of the business's base employment level.
6. "Financial assistance" means assistance provided only from the funds, rights, and assets legally available to the authority pursuant to this chapter and includes but is not limited to assistance in the form of grants, loans, forgivable loans, and royalty payments.
7. "Fiscal impact ratio" means a ratio calculated by estimating the amount of taxes to be

received from a business by the state and dividing the estimate by the estimated cost to the state of providing certain financial incentives to the business, reflecting a ten-year period of taxation and incentives and expressed in terms of current dollars. For purposes of the economic development financial assistance program, “*fiscal impact ratio*” does not include taxes received by political subdivisions.

8. “*Full-time equivalent position*” means a non-part-time position for the number of hours or days per week considered to be full-time work for the kind of service or work performed for an employer. Typically, a full-time equivalent position requires two thousand eighty hours of work in a calendar year, including all paid holidays, vacations, sick time, and other paid leave.

9. “*Fund*” means the economic development fund created in section 15G.111.

10. “*Maintenance period*” means the period of time between the project completion date and maintenance period completion date.

11. “*Maintenance period completion date*” means the date on which the maintenance period ends.

12. “*Project completion date*” means the date by which a recipient of financial assistance has agreed to meet all the terms and obligations contained in an agreement with the authority as described in section 15G.112, subsection 1, paragraph “d”.

13. “*Project completion period*” means the period of time between the date financial assistance is awarded and the project completion date.

14. “*Qualifying wage threshold*” means the county wage or the regional wage, as calculated by the authority pursuant to section 15G.112, subsection 3, whichever is lower.

15. “*Regional wage*” means the regional wage calculation performed by the authority pursuant to section 15G.112, subsection 3.

16. “*Retained job*” means a full-time equivalent position, in existence at the time an employer applies for financial assistance which remains continuously filled or authorized to be filled as soon as possible and which is at risk of elimination if the project for which the employer is seeking assistance does not proceed.

2009 Acts, ch 123, §1; 2011 Acts, ch 118, §24, 70 – 72, 84, 85, 87, 89

[T] See Code editor’s note on simple harmonization

[T] Code editor directives applied

[T] NEW subsection 1 and former subsections 1 and 2 renumbered as 2 and 3

[T] Former subsection 3 stricken

[T] Subsection 6 stricken and former subsections 7 – 9 renumbered as 6 – 8

[T] Subsection 10 amended and renumbered as 9

[T] Subsections 11 – 17 renumbered as 10 – 16

**15G.102** Reserved.

**15G.103** Reserved.

**15G.104** Reserved.

**15G.105** Reserved.

**15G.106** Reserved.

**15G.107 Subchapter repealed — new program proposal.**

1. This subchapter of this chapter is repealed on June 30, 2012.

2. On or before November 30, 2011, the economic development authority shall propose to the general assembly a new business development financial assistance program.

3. On or before November 30, 2011, the economic development authority shall propose to the general assembly any changes in law necessary to implement the repeal of this subchapter.

2011 Acts, ch 118, §87, 89; 2011 Acts, ch 133, §14, 50

[T] Code editor directive applied

[T] NEW section

**15G.108 Grow Iowa values fund.** Repealed by 2009 Acts, ch 123, § 8. See § 15G.111.

**15G.109 Marketing strategies.**

1. The economic development authority shall accept proposals for marketing strategies for purposes of selecting a strategy for the authority to administer. The marketing strategies shall be designed to market Iowa as a lifestyle, increase the population of the state, increase the wealth of Iowans, and expand and stimulate the state economy. The authority shall select and approve a proposal that meets the requirements of this section.

2. The authority shall implement and administer the approved marketing strategy.

2003 Acts, 1st Ex, ch 1, §85, 133

[2003 enactment of this section rescinded pursuant to *Rants v. Vilsack*, 684 N.W.2d 193]

2004 Acts, 1st Ex, ch 1001, §33 – 36; 2011 Acts, ch 118, §85, 89

[T] Code editor directive applied

[T] Unnumbered paragraphs 1 and 2 editorially renumbered as subsections 1 and 2

**15G.110 Appropriation.**

For the fiscal year beginning July 1, 2011, and ending June 30, 2012, there is appropriated to the economic development authority fifteen million dollars from the rebuild Iowa infrastructure fund for deposit in the economic development fund, notwithstanding section 8.57, subsection 6, paragraph “c”.

2005 Acts, ch 170, §18; 2008 Acts, ch 1179, §52; 2010 Acts, ch 1184, §30; 2011 Acts, ch 118, §85 – 87, 89; 2011 Acts, ch 133, §15, 50

[T] See Code editor's note on simple harmonization

[T] Code editor directives applied

[T] Section stricken and rewritten

**15G.111 Economic development fund — appropriation — allocation of fund moneys.**

1. *Fund created.* An economic development fund is created in the state treasury under the control of the economic development authority consisting of the following:

a. The moneys appropriated to the authority pursuant to section 15G.110.

b. Payments of interest, repayments of moneys loaned, and recaptures of grants and loans made pursuant to this chapter.

c. All moneys accruing to the authority, including payments of interest, repayments of moneys loaned, royalty payments received, and recaptures of grants, loans, or other forms of financial assistance provided to recipients, from the authority's administration of the following preexisting programs:

(1) The community economic betterment program established pursuant to section 15.317, Code 2009.

(2) The entrepreneurial ventures assistance program established pursuant to section 15.339, Code 2009.

(3) The value-added agricultural products and processes financial assistance program established pursuant to section 15E.111, Code 2009.

(4) The physical infrastructure assistance program established pursuant to section 15E.175, Code 2009.

(5) The loan and credit guarantee program established pursuant to section 15E.224, Code 2009.

2. *Fund administration.*

a. The authority shall administer the fund consistent with the provisions of this chapter and with other pertinent Acts of the general assembly, including providing financial assistance awards pursuant to section 15G.112.

b. Moneys credited to 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. Interest or earnings on moneys in the fund are appropriated to the authority. Of the moneys appropriated to the authority pursuant to this paragraph, the authority shall make the following allocations:

(1) For each fiscal year of the fiscal period beginning July 1, 2010, and ending June 30, 2013, the authority shall allocate not more than one hundred seventy-five thousand dollars for purposes of providing financial assistance to Iowa's councils of governments.

(2) For each fiscal year of the fiscal period beginning July 1, 2010, and ending June 30, 2013, the authority shall allocate not more than two hundred thousand dollars for purposes

of providing support and administrative assistance to the vision Iowa board, the community attraction and tourism program, and river enhancement community attraction and tourism projects.

(3) For each fiscal year of the fiscal period beginning July 1, 2010, and ending June 30, 2013, the authority shall allocate the remaining amount of interest or earnings on moneys in the fund for purposes of providing financial assistance under the disaster recovery component of the economic development financial assistance program. All moneys allocated pursuant to this subparagraph that remain unexpended or unobligated at the end of the fiscal year beginning July 1, 2012, shall revert and be credited to the fund.

c. Of the moneys accruing to the fund pursuant to subsection 1, paragraph “c”, the authority, with the approval of the authority\*, may allocate an amount necessary to fund administrative and operations costs. An allocation pursuant to this paragraph may be made in addition to any allocations made pursuant to subsection 4, paragraph “a”.

d. Of the moneys transferred to the fund pursuant to 2009 Iowa Acts, chapter 123, section 9, the authority, with the approval of the authority\*, may allocate an amount necessary to fund administrative and operations costs. An allocation pursuant to this paragraph may be made in addition to any allocations made pursuant to subsection 4, paragraph “a”.

3. *Appropriation.* For each fiscal year of the fiscal period beginning July 1, 2009, and ending June 30, 2015, there is appropriated from the fund to the economic development authority for purposes of making expenditures pursuant to this chapter fifty million dollars.

4. *Authority purposes.* Of the moneys appropriated to the authority pursuant to subsection 3, the authority shall allocate twenty-eight million five hundred thousand dollars each fiscal year as follows:

a. For administrative costs, an amount not more than six hundred thousand dollars of the moneys subject to allocation under this subsection.

b. For awards of financial assistance pursuant to section 15G.112, an amount approved by the authority.

c. For marketing proposals pursuant to section 15G.109, an amount approved by the authority.

d. For a statewide labor shed study conducted in coordination with the department of workforce development, an amount approved by the authority.

e. For responding to opportunities and threats, as described in section 15G.113, an amount approved by the authority.

f. For procuring technical assistance from either the public or private sector and for information technology purposes, an amount approved by the authority.

g. For covering existing guarantees made under the loan and credit guarantee program established pursuant to section 15E.224, Code 2009, an amount approved by the authority.

5. *Board of regents institutions.* Of the moneys appropriated to the authority pursuant to subsection 3, the authority shall allocate five million dollars each fiscal year for financial assistance to institutions of higher learning under the control of the state board of regents.

a. The financial assistance allocated pursuant to this subsection is for capacity building infrastructure in areas related to technology commercialization, for marketing and business development efforts in areas related to technology commercialization, entrepreneurship, and business growth, and for infrastructure projects and programs needed to assist in the implementation of activities under chapter 262B.

b. In allocating moneys to institutions under the control of the state board of regents, the authority shall require the institutions to provide a one-to-one match of additional moneys for the activities funded with moneys appropriated under this subsection.

c. The state board of regents shall annually prepare a report for submission to the governor, the general assembly, the authority, and the legislative services agency regarding the activities, projects, and programs funded with moneys allocated under this subsection. The report shall be provided in an electronic format and shall include a list of metrics and criteria mutually agreed to in advance by the board of regents and the authority. The metrics and criteria shall allow the governor’s office, the general assembly, and the authority to quantify and evaluate the progress of the board of regents institutions with regard

to their activities, projects, and programs in the areas of technology commercialization, entrepreneurship, regional development, and market research.

d. The state board of regents may disburse any moneys allocated under this subsection and received from the authority for financial assistance to a single biosciences development organization determined by the authority to possess expertise in promoting the area of bioscience entrepreneurship. The organization must be composed of representatives of both the public and the private sector and shall be composed of subunits or subcommittees in the areas of existing identified biosciences platforms, education and workforce development, commercialization, communication, policy and governance, and finance. Such financial assistance shall be used for purposes of activities related to biosciences and bioeconomy development under chapter 262B, and to accredited private universities in this state.

6. *State parks.* Of the moneys appropriated to the authority pursuant to subsection 3, the authority shall allocate one million dollars each fiscal year for purposes of providing financial assistance for projects in targeted state parks, state banner parks, and destination parks.

a. The department of natural resources shall submit a plan to the authority for the proposed expenditure of moneys received from the authority pursuant to this subsection. The plan shall focus on improving state parks, state banner parks, and destination parks for economic development purposes. The authority shall approve, deny, modify, or defer proposed expenditures under the plan. Based on the plan submitted and the action of the authority in regard to the plan, the economic development authority shall provide financial assistance to the department of natural resources for support of state parks, state banner parks, and destination parks.

b. For purposes of this subsection, “*state banner park*” means a park with multiple uses and which focuses on the economic development benefits of a community or area of the state.

7. *Cultural trust fund.* Of the moneys appropriated to the authority pursuant to subsection 3, the authority shall allocate one million dollars each fiscal year for deposit in the Iowa cultural trust fund created in section 303A.4. The board of trustees of the Iowa cultural trust shall annually prepare a report for submission to the governor, the general assembly, the authority, and the legislative services agency regarding the activities, projects, and programs funded with moneys allocated under this subsection.

8. *Community colleges.* Of the moneys appropriated to the authority pursuant to subsection 3, the authority shall allocate seven million dollars each fiscal year for deposit into the workforce training and economic development funds of the community colleges created pursuant to section 260C.18A.

9. *Regional financial assistance.* Of the moneys appropriated to the authority pursuant to subsection 3, the authority shall allocate one million dollars each fiscal year for providing economic development region financial assistance under section 15E.232, subsections 1, 3, 4, 5, and 6, and under section 15E.233, and for providing financial assistance for business accelerators pursuant to section 15E.351.

a. Of the moneys allocated in this subsection, the authority shall transfer three hundred fifty thousand dollars each fiscal year for the fiscal period beginning July 1, 2009, and ending June 30, 2015, to Iowa state university of science and technology, for purposes of providing financial assistance to establish small business development centers in areas of the state previously served by a small business development center, to develop business succession plans, and to maintain existing small business development centers. Of the three hundred fifty thousand dollars transferred each fiscal year pursuant to this paragraph, not more than one hundred thousand dollars shall be used for business succession activities. Financial assistance for a small business development center shall not exceed fifty thousand dollars per fiscal year and shall not be awarded unless the city or county where the center is located or scheduled to be located demonstrates the ability to obtain local matching moneys on a dollar-for-dollar basis for at least twenty-five percent of the cost of the center.

b. Of the moneys allocated under this subsection, the authority may use up to fifty thousand dollars each fiscal year during the fiscal period beginning July 1, 2009, and ending June 30, 2015, for purposes of providing training, materials, and assistance to Iowa business resource centers.

10. *Innovation and commercialization services.* Of the moneys appropriated to the

authority pursuant to subsection 3, the authority shall allocate five million five hundred thousand dollars for deposit in the innovation and commercialization development fund created in section 15.412.

11. *Targeted small businesses.* Of the moneys appropriated to the authority pursuant to subsection 3, the authority shall allocate one million dollars for deposit in the targeted small business financial assistance program account established pursuant to section 15.247 within the strategic investment fund created in section 15.313.

2005 Acts, ch 150, §2; 2005 Acts, ch 170, §19; 2006 Acts, ch 1010, §9, 10; 2006 Acts, ch 1175, §1, 2, 23; 2006 Acts, ch 1176, §20, 29; 2007 Acts, ch 122, §2 – 4; 2008 Acts, ch 1031, §15; 2008 Acts, ch 1102, §2, 3, 5; 2008 Acts, ch 1179, §53; 2009 Acts, ch 123, §2, 33; 2009 Acts, ch 170, §3, 11; 2009 Acts, ch 184, §37; 2010 Acts, ch 1009, §3, 4; 2010 Acts, ch 1061, §89, 181; 2010 Acts, ch 1069, §5; 2010 Acts, ch 1184, §31 – 34; 2011 Acts, ch 118, §25, 85 – 87, 89; 2011 Acts, ch 133, §16, 50

[P] See annual Iowa Acts for temporary exceptions, changes, or other noncodified enactments modifying these statutory provisions

[SP] \* The phrase “with the approval of the authority” may not be intended; corrective legislation is pending

[T] See Code editor’s note on simple harmonization

[T] Code editor directives applied

[T] Subsection 1, unnumbered paragraph 1 amended

[T] Subsection 2, NEW paragraph d

### **15G.112 Economic development financial assistance program.**

#### **1. Program established.**

a. The authority shall establish and administer an economic development financial assistance program for purposes of providing financial assistance from the fund to applicants. The financial assistance shall be provided from moneys credited to the economic development fund and not otherwise obligated or allocated pursuant to section 15G.111.

b. The program shall consist of the components described in subsections 4 through 9. Each fiscal year, the authority, with the approval of the authority\*, shall allocate an amount of financial assistance from the fund that may be awarded under each component of the program to qualifying applicants.

c. In making awards of financial assistance pursuant to subsections 4 and 5, the authority shall calculate the fiscal impact ratio, and in reviewing each application to determine the amount of financial assistance to award, the authority shall consider the appropriateness of the award to the fiscal impact ratio of the project and to other factors deemed relevant by the authority.

d. For each award of financial assistance under the program, the authority and the recipient of the financial assistance shall enter into an agreement describing the terms and obligations under which the financial assistance is being provided. The authority may negotiate, subject to approval by the authority\*, the terms and obligations of the agreement. An agreement shall contain but need not be limited to all of the following terms and obligations:

- (1) A project completion date.
- (2) A maintenance period completion date.
- (3) The number of jobs to be created or retained.
- (4) The amount of financial assistance to be provided under the program.
- (5) An amount of matching funds from a city or county. The authority shall adopt by rule a formula for determining the amount of matching funds required.

e. The authority may enforce the terms and obligations of agreements described in paragraph “d”.

f. A recipient of financial assistance shall meet all terms and obligations in an agreement by the project completion date, but the authority may for good cause extend the project completion date.

g. During the maintenance period, a recipient of financial assistance shall continue to comply with the terms and obligations of an agreement entered into pursuant to paragraph “d”.

h. If a business that is approved to receive financial assistance experiences a layoff within this state or closes any of its facilities within this state, the authority has the discretion to reduce or eliminate some or all of the amount of financial assistance to be received. If

a business has received financial assistance under this section and experiences a layoff within this state or closes any of its facilities within this state, the business may be subject to repayment of all or a portion of the incentives that the business has received.

2. *Standard program requirements.* In addition to the eligibility requirements of the individual program components applicable to the financial assistance sought, a business shall be subject to all of the following requirements:

a. The business shall submit to the authority with its application for financial assistance a report describing all violations of environmental law or worker safety law within the last five years. If, upon review of the application, the authority finds that a business has a record of violations of the law, statutes, rules, or regulations that tends to show a consistent pattern, the authority shall not make an award of financial assistance to the business unless the authority finds either that the violations did not seriously affect public health, public safety, or the environment, or, if such violations did seriously affect public health, public safety, or the environment, that mitigating circumstances were present.

b. The business shall not have closed, or substantially reduced, operations in one area of this state and relocated substantially the same operations in a community in another area of this state. However, this paragraph shall not be construed to prohibit a business from expanding its operation in a community if existing operations of a similar nature in this state are not closed or substantially reduced.

c. The proposed project shall not negatively impact other businesses in competition with the business being considered for assistance. The authority shall make a good faith effort to identify existing Iowa businesses within an industry in competition with the business being considered for financial assistance. The authority shall make a good faith effort to determine the probability that the proposed financial assistance will displace employees of the existing businesses. In determining the impact on businesses in competition with the business being considered for financial assistance, jobs created or retained as a result of other jobs being displaced elsewhere in the state shall not be considered direct jobs created or retained.

d. The business shall only employ individuals legally authorized to work in this state. In addition to any and all other applicable penalties provided by current law, all or a portion of the assistance received by a business which has received financial assistance under the program and is found to knowingly employ individuals not legally authorized to work in this state is subject to recapture by the authority.

3. *County and regional wage calculations.*

a. In administering the financial assistance program, the authority shall annually calculate a county wage and a regional wage for each county for purposes of determining the eligibility of applicants for financial assistance under the program.

(1) The county wage and the regional wage shall be an hourly wage rate based on data from the most recent four quarters of wage and employment information from the quarterly covered wage and employment data report issued by the department of workforce development.

(2) The authority shall not include the value of benefits when calculating the county wage or the regional wage.

b. The county wage shall be the average of the wages paid for jobs performed in the county by employers in all employment categories except the employment categories of government, agriculture, and mining.

c. The regional wage shall be calculated as follows:

(1) Multiplying by four the county wage of a county.

(2) Adding together the county wage of each of the counties adjacent to the county.

(3) Adding the result obtained in subparagraph (1) to the result obtained in subparagraph (2).

(4) Dividing the result obtained in subparagraph (3) by the sum of the number of counties adjacent to the county plus four.

4. *One hundred thirty percent wage component.*

a. In order to qualify for financial assistance under this component of the program, a business shall meet all of the following requirements:

(1) The business shall create or retain jobs as part of a project, and the jobs created or retained shall meet one of the following requirements:

(a) If the business is creating jobs, the business shall demonstrate that the jobs will pay at least one hundred percent of the qualifying wage threshold at the start of the project completion period, at least one hundred thirty percent of the qualifying wage threshold by the project completion date, and at least one hundred thirty percent of the qualifying wage threshold until the maintenance period completion date.

(b) If the business is retaining jobs, the business shall demonstrate that the jobs retained will pay at least one hundred thirty percent of the qualifying wage threshold throughout both the project completion period and the maintenance period.

(2) The business shall provide a sufficient package of benefits to each employee holding a created or retained job. The authority, at the recommendation of the authority\*, shall adopt rules determining what constitutes a sufficient package of benefits.

(3) The business shall demonstrate that the jobs created or retained will have a sufficient impact on state and local government revenues as determined by the authority after calculating the fiscal impact ratio of the project.

(4) The business shall not be a retail business or a business where entrance is limited by a cover charge or membership requirement.

b. A business providing a sufficient package of benefits to each employee holding a created or retained job shall qualify for a credit against any of the one hundred thirty percent qualifying wage threshold requirements described in paragraph "a", subparagraph (1). The credit shall be calculated and applied as follows:

(1) By multiplying the qualifying wage threshold of the county in which the business is located by one and three-tenths.

(2) By multiplying the result of subparagraph (1) by one-tenth.

(3) The amount of the result of subparagraph (2) shall be credited against the amount of the one hundred thirty percent qualifying wage threshold requirement that the business is required to meet under paragraph "a", subparagraph (1).

(4) The credit shall not be applied against the one hundred percent of qualifying wage threshold requirement described in paragraph "a", subparagraph (1).

c. Notwithstanding the qualifying wage threshold requirements described in paragraph "a", subparagraph (1), if a business is also the recipient of financial assistance under another program administered by the authority, and the other program requires the payment of higher wages than the wages required under this subsection, the business shall be required to pay the higher wages.

d. An applicant may apply to the authority for a waiver of the qualifying wage threshold requirements of this subsection.

5. *One hundred percent wage component.* In order to qualify for financial assistance under this component of the program, a business shall meet all of the following requirements:

a. The business shall create or retain jobs as part of a project, and the jobs created or retained shall meet one of the following qualifying wage thresholds:

(1) If the business is creating jobs, the business shall demonstrate that the jobs pay at least one hundred percent of the qualifying wage threshold at the start of the project completion period, by the project completion date, and until the maintenance period completion date.

(2) If the business is retaining jobs, the business shall demonstrate that the jobs retained will pay at least one hundred percent of the qualifying wage threshold throughout both the project completion period and the maintenance period.

b. The business shall provide a sufficient package of benefits to each employee holding a created or retained job. The authority, at the recommendation of the authority\*, shall adopt rules determining what constitutes a sufficient package of benefits.

c. The business shall demonstrate that the jobs created or retained will have a sufficient impact on state and local government revenues as determined by the authority after calculating the fiscal impact ratio of the project.

d. The business shall not be a retail business or a business where entrance is limited by a cover charge or membership requirement.

6. *Entrepreneurial component.*

a. In order to qualify for financial assistance under the entrepreneurial component of the program, a business shall meet all of the following requirements:

(1) The business shall be an early-stage business. For purposes of this subparagraph, “*early-stage business*” means a business that has been competing in a particular industry for three years or less.

(2) The business shall have consulted with and obtained a letter of endorsement from either a business accelerator approved by the authority or from an entrepreneurial development organization recognized by the authority.

b. Notwithstanding subsection 1, paragraph “d”, subparagraph (5), a business applying for financial assistance under the entrepreneurial component is eligible for financial assistance regardless of whether the business has received matching funds from a city or county.

c. In awarding financial assistance under the entrepreneurial component of the program, the authority shall give priority to businesses in those sectors of the Iowa economy with the greatest potential for growth and expansion. Sectors having such potential include but are not limited to biotechnology, recyclable materials, software development, computer-related products, advanced materials, advanced manufacturing, and medical and surgical instruments.

7. *Infrastructure component.* In order to qualify for financial assistance under the infrastructure component of the program, a business or community shall be engaged in a physical infrastructure project. For purposes of this subsection, “*physical infrastructure project*” means a project that creates necessary infrastructure for economic success throughout Iowa, provides the foundation for the creation of jobs, and that involves the investment of a substantial amount of capital. Physical infrastructure projects include but are not limited to projects involving any mode of transportation; public works and utilities such as sewer, water, power, or telecommunications; physical improvements that mitigate, prevent, or eliminate environmental contamination; and other similar projects deemed to be physical infrastructure by the authority.

8. *Value-added agriculture component.*

a. In order to qualify for financial assistance under the value-added agriculture component of the program, a business shall be a production facility engaged in the process of adding value to agricultural products. Projects considered eligible under this subsection include but are not limited to innovative agricultural products and processes, innovative and new renewable fuels, agricultural biotechnology, biomass and alternative energy production, and organic products and emerging markets. Financial assistance is available for project development as well as project creation.

b. The authority shall not award financial assistance under the value-added agriculture component in an amount exceeding fifty percent of the total capital investment in a project.

c. Notwithstanding subsection 1, paragraph “d”, subparagraph (5), a business applying for financial assistance under the value-added agriculture component is eligible for financial assistance regardless of whether the business has received matching funds from a city or county.

9. *Disaster recovery component.* In order to qualify for financial assistance under the disaster recovery component of the program, a business shall meet all of the following conditions:

a. The business is located in an area declared a disaster area by a federal official.

b. The business has sustained substantial physical damage and has closed as the result of a natural disaster.

c. The business has a plan for reopening that includes employing a sufficient number of the employees the business employed before the natural disaster occurred. The authority shall adopt rules governing the number of employees that is sufficient under this paragraph.

d. The business will pay wages at the same level after reopening as the business paid before the natural disaster occurred.

2005 Acts, ch 150, §3; 2008 Acts, ch 1102, §4, 5; 2008 Acts, ch 1191, §162; 2009 Acts, ch 123, §3; 2010 Acts, ch 1069, §6; 2011 Acts, ch 118, §26, 87, 89

[P] Additional requirements for applicants which are economic development regions, see §15E.231

[SP] \*The words “with the approval of the authority” may not be intended; corrective legislation is pending  
 [SP] \*The words “subject to approval by the authority” may not be intended; corrective legislation is pending  
 [SP] \*The words “at the recommendation of the authority” may not be intended; corrective legislation is pending  
 [T] Code editor directive applied  
 [T] Subsection 1, paragraph a amended

### 15G.113 Opportunities and threats.

1. The authority, with the approval of the authority,\* may award financial assistance from the fund to a business, an individual, a development corporation, a nonprofit organization, an organization established in section 28H.1, or a political subdivision of this state if, in the opinion of the authority, a project presents a unique opportunity for economic development in this state, or if the project addresses a situation constituting a threat to the continued economic prosperity of this state.

2. The authority shall adopt rules governing the eligibility of projects for financial assistance pursuant to this section.

2009 Acts, ch 123, §4; 2011 Acts, ch 118, §87, 89

[SP] \*The words “, with the approval of the authority,” probably not intended; corrective legislation is pending  
 [T] Code editor directive applied

### 15G.114 Rules.

1. The authority, upon the recommendation of the authority,\* shall adopt rules for the administration of this chapter in accordance with chapter 17A.

2. To the extent necessary, the rules shall provide for the inclusion of uniform terms and obligations in agreements between the authority and the recipients of financial assistance under the economic development financial assistance program, the high quality jobs program, and the enterprise zone program. For purposes of this section, “*terms and obligations*” includes but is not limited to the created or retained jobs, qualifying wage thresholds, project completion dates, project completion periods, maintenance periods, and maintenance period completion dates that are applicable to the economic development financial assistance program, the high quality job creation program, and the enterprise zone program.

2009 Acts, ch 123, §5; 2011 Acts, ch 118, §86, 87, 89

[SP] \*The words “, upon the recommendation of the authority,” probably not intended; corrective legislation is pending  
 [T] Code editor directives applied

### 15G.115 Applications — advisory body recommendations — final authority actions.

1. The authority shall accept and process applications for financial assistance under the economic development financial assistance program. After processing the applications, the authority shall prepare them for review by advisory committees and for final action by the authority as described in this section.

2. Each application for financial assistance from funds allocated by the authority for deposit in the innovation and commercialization development fund pursuant to section 15G.111, subsection 10, shall be reviewed by the technology commercialization committee established in section 15.116, which shall make a recommendation on each application to the authority.

3. In overseeing the administration of the economic development fund and economic development financial assistance program pursuant to this chapter, the authority shall do all of the following:

a. At the first scheduled meeting of the authority after the start of a new fiscal year, take final action on all of the following:

(1) The authority’s recommendations for the annual fiscal year allocation of moneys in the fund, as provided in section 15G.111, subsection 4. The authority may adjust the allocation of moneys during the fiscal year as necessary.

(2) The authority’s recommendations for the allocation of moneys among the program components referred to in section 15G.112, subsection 1, paragraph “b”. The authority may adjust the allocation of moneys during the fiscal year as necessary.

b. Consider the recommendation of the due diligence committee and the technology commercialization committee on each application for financial assistance, as described in subsection 2, and take final action on each application.

c. Take final action on the required plans for proposed expenditures submitted by the entities receiving moneys allocated under section 15G.111, subsections 5 through 8.

d. Take final action on any rules recommended by the authority for the implementation of the provisions of this chapter.

2009 Acts, ch 123, §6, 33; 2010 Acts, ch 1031, §262; 2010 Acts, ch 1069, §7; 2011 Acts, ch 118, §73, 86, 87, 89

[T] Code editor directives applied

[T] Subsection 2, paragraph a stricken and paragraph b redesignated as unnumbered paragraph 1

## SUBCHAPTER II

### RENEWABLE FUEL INFRASTRUCTURE

**15G.201 through 15G.205** Transferred to chapter 159A, subchapter III; 2011 Acts, ch 113, §55, 56.

With respect to proposed amendments to former §15G.201 by 2011 Acts, ch 118, §74, 75, see Code editor's note