

**261—67.2(15) Eligibility requirements.**

**67.2(1) *Project requirements.*** The business' proposed project site and qualifying investment in the project must meet the requirements of Iowa Code section 15.492(1) "a" and "b" as enacted by 2024 Iowa Acts, Senate File 574, section 4. The authority will not accept an application from a business that proposes a project at a location that is not a certified site or that the business does not currently have a controlling interest in at the time of application. The authority may accept an application from a business that proposes a project on a certified site that is not currently greater than 250 acres if the process to certify additional acres has been initiated and the certified site will exceed 250 acres following certification of the additional acres. The authority will determine whether a site is suitable for a project based on the following factors:

- a. Community approval of the project as required by subrule 67.2(2).
- b. The impact of the project on surrounding businesses and residents.
- c. The availability of or proposed plans to develop the necessary infrastructure to support the project.

**67.2(2) *Community approval and local match.*** Community approval of the project by ordinance or resolution is required as specified in Iowa Code section 15.492(1) "c" as enacted by 2024 Iowa Acts, Senate File 574, section 4. Local match may be required from the community or other relevant entity.

**67.2(3) *Business type.***

a. The business must be an eligible business type as identified in Iowa Code section 15.492(1) "d" as enacted by 2024 Iowa Acts, Senate File 574, section 4.

b. For the purposes of determining whether a business is an ineligible retail business pursuant to Iowa Code section 15.492(1) "d" as enacted by 2024 Iowa Acts, Senate File 574, section 4, "retail business" means any business engaged in the business of sale at retail of tangible personal property or taxable services in this state or online. "Sale at retail" means the same as defined in Iowa Code section 423.1(46). Any business obligated to collect sales or use tax under Iowa Code chapter 423 is an ineligible retail business. A service business is not eligible for the program unless a significant proportion of its sales, as determined by the authority, are outside this state.

**67.2(4) *Relocations and reductions in operations.*** The authority will determine whether a business is ineligible due to a relocation or reduction in operations pursuant to Iowa Code section 15.492(1) "e" as enacted by 2024 Iowa Acts, Senate File 574, section 4.

**67.2(5) *Jobs.*** A business must propose to create qualified jobs.

**67.2(6) *Determination of comprehensive benefits.*** The benefits package provided pursuant to Iowa Code section 15.492(1) "g" as enacted by 2024 Iowa Acts, Senate File 574, section 4, shall meet the criteria established by the board. The board will periodically approve such criteria to reflect the most current benefits package typically offered by employers. The criteria established by the board may include but not be limited to premium percentages to be paid by the business, deductible amounts, and other such criteria as determined necessary to the evaluation of benefits offered by a business. A business shall provide comprehensive benefits to all jobs included in the base employment level.

**67.2(7) *Violations of law.*** If the authority finds that a business has a record of violations of law over a period of time that tends to show a consistent pattern as described in Iowa Code section 15.492(1) "h" as enacted by 2024 Iowa Acts, Senate File 574, section 4, the business shall not qualify for the program.

**67.2(8) *Applicant's past or current performance.*** If an applicant received a prior award or other benefit through any program administered by the authority, the authority and board will consider the applicant's past or current performance under the prior award or benefit.

**67.2(9) *Results of due diligence review.*** The authority will complete a due diligence review, including but not limited to lien searches, reports of violations, lawsuits and other relevant information about the applicant. A business may be ineligible based on results of the review.

**67.2(10) *Other factors.***

a. The authority shall consider any applicable additional factors pursuant to Iowa Code section 15.492(2) as enacted by 2024 Iowa Acts, Senate File 574, section 4, to determine whether a business or a business's project should be considered eligible or ineligible for the program.

b. In evaluating the economic impact of a project pursuant to Iowa Code section 15.492(2) "a"(3) as enacted by 2024 Iowa Acts, Senate File 574, section 4, the authority will primarily measure economic impact by an independent analysis conducted by a contractor chosen by the authority.

c. The following businesses may be considered ineligible for the program:

(1) Businesses that have not proposed a sufficient number of created jobs or qualified jobs to justify program benefits.

(2) Businesses that do not clearly identify ownership and affiliated businesses to the authority's satisfaction.

(3) Businesses that do not have significant market share or national recognition in their industry.

**67.2(11) *Ineligible projects.*** A project representing solely acquisition of a business as a going concern that does not include qualified jobs and qualifying investment at the acquired business facility is not eligible for the program. A qualified project that occurs following acquisition of a business as a going concern may be eligible for the program.

**67.2(12) *Project initiation.*** The authority will not accept applications for projects that have been initiated or will be initiated prior to board consideration of the business's application for the program unless the business establishes that not initiating the project prior to board consideration of the application would result in undue hardship or that extenuating circumstances necessitate initiating the project prior to board consideration of the business's application for the program. Whether an undue hardship or extenuating circumstance exists will be determined by the authority.

a. Any one of the following may indicate that a project has been initiated:

(1) The start of construction of new or expanded buildings;

(2) The start of rehabilitation of existing buildings;

(3) The purchase or leasing of existing buildings; or

(4) The installation of new machinery and equipment or new computers to be used in the operation of the business's project.

b. The following shall not indicate a project has been initiated:

(1) The purchase of land or signing an option to purchase land;

(2) Earthmoving or other site development activities not involving actual building construction, expansion or rehabilitation; or

(3) Acquisition of a business as a going concern.

c. Any costs incurred prior to the award date are not eligible qualifying investment expenses.

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