

House File 772

H-1248

1 Amend House File 772 as follows:

2 1. Page 14, after line 12 by inserting:

3

<DIVISION \_\_\_\_

4 RURAL ECONOMIC REVITALIZATION CENTER AND BOARD AND HIGH QUALITY  
5 JOBS PROGRAM

6 Sec. \_\_\_\_ . Section 15.102, Code 2019, is amended by adding  
7 the following new subsection:

8 NEW SUBSECTION. 08. "*Rural community*" means any city  
9 located in this state with a population of thirty thousand  
10 or less in a county with a population of fifty thousand or  
11 less. A rural community located in more than one county shall  
12 be considered to be located in the county having the greatest  
13 taxable base within the city.

14 Sec. \_\_\_\_ . NEW SECTION. 15.106F Rural economic  
15 revitalization center and board.

16 1. *a.* A rural economic revitalization center is established  
17 within the authority. The center shall develop a separate  
18 partnership program with a lead council of government in each  
19 congressional district as determined under paragraph "*b*".

20 *b.* In order for the partnership program to receive funding  
21 from the authority, all councils of governments located within  
22 a congressional district shall enter into an agreement under  
23 chapter 28E, as authorized pursuant to section 28H.5, that  
24 identifies the lead council of government for the partnership  
25 program with the center.

26 2. The rural economic revitalization center shall support  
27 rural communities by doing all of the following:

28 *a.* Identify and study successful strategies to attract and  
29 grow economic development and the workforce.

30 *b.* Identify and assist in applications for economic  
31 development programs.

32 *c.* Identify and provide pathways for rural community  
33 improvement.

34 *d.* Assist in and serve as a conduit for rural policy  
35 development.

1 3. a. A rural economic revitalization board is established  
2 and shall serve as the governing body of the rural economic  
3 revitalization center. The board is located within the  
4 authority for administrative purposes. The members of the  
5 board are entitled to receive reimbursement for actual expenses  
6 incurred while engaged in the performance of official duties.  
7 The director shall budget moneys to cover the expenses of the  
8 board. The board shall provide an annual report to the general  
9 assembly and the governor relating to rural revitalization  
10 issues and efforts by January 15, 2021, and by every January  
11 15, thereafter.

12 b. The board shall consist of three voting members from each  
13 congressional district appointed by the governor as follows:

14 (1) Each member shall reside or be employed in a rural  
15 community.

16 (2) At least one member from each congressional district  
17 shall reside or be employed in a rural community where an  
18 accredited public or private postsecondary educational  
19 institution is located in the rural community.

20 Sec. \_\_\_\_\_. NEW SECTION. 15.328 **Program expenditures by**  
21 **congressional district.**

22 Each fiscal year, the authority shall make available in each  
23 congressional district at least seven hundred fifty thousand  
24 dollars of the moneys appropriated to fund the program for use  
25 in a qualifying rural community.

26 Sec. \_\_\_\_\_. Section 15.329, subsection 3, paragraph a, Code  
27 2019, is amended to read as follows:

28 a. The quality of the jobs to be created or retained. In  
29 rating the quality of the jobs, the authority shall place  
30 greater emphasis on those jobs that have a higher wage scale~~;~~  
31 have a lower turnover rate~~;~~ are full-time or career-type  
32 positions~~;~~ provide comprehensive health benefits~~;~~ or have  
33 other related factors which could be considered to be higher  
34 in quality, than to other jobs, including agricultural-related  
35 or retail-related jobs in a rural community. Businesses that

1 have wage scales substantially below that of existing Iowa  
2 businesses in that area should be rated as providing the lowest  
3 quality of jobs and should therefore be given the lowest  
4 ranking for providing such assistance.

5 Sec. \_\_\_\_\_. Section 15.329, subsection 3, paragraph c,  
6 subparagraph (6), Code 2019, is amended by striking the  
7 subparagraph.

8 Sec. \_\_\_\_\_. Section 15.335A, subsection 1, unnumbered  
9 paragraph 1, Code 2019, is amended to read as follows:

10 ~~Tax~~ Except as provided in subsection 1A, tax incentives are  
11 available to eligible businesses as provided in this ~~section~~  
12 subsection. The incentives are based upon the number of jobs  
13 created or retained that pay at least one hundred twenty  
14 percent of the qualifying wage threshold and the amount of the  
15 qualifying investment made according to the following schedule:

16 Sec. \_\_\_\_\_. Section 15.335A, Code 2019, is amended by adding  
17 the following new subsection:

18 NEW SUBSECTION. 1A. Tax incentives are available to  
19 eligible businesses in rural communities as provided in this  
20 subsection. The incentives are based upon the number of  
21 jobs created or retained that pay at least one hundred ten  
22 percent of the qualifying wage threshold and the amount of the  
23 qualifying investment made according to the following schedule:

24 a. The number of jobs is zero and economic activity is  
25 furthered by the qualifying investment and the amount of the  
26 qualifying investment is one of the following:

27 (1) Less than fifty thousand dollars, then the tax incentive  
28 is the investment tax credit of up to two percent.

29 (2) At least fifty thousand dollars but less than two  
30 hundred fifty thousand dollars, then the tax incentives are the  
31 investment tax credit of up to two percent and the sales tax  
32 refund.

33 (3) At least two hundred fifty thousand dollars, then the  
34 tax incentives are the investment tax credit of up to two  
35 percent, the sales tax refund, and the additional research and

1 development tax credit.

2 *b.* The number of jobs is one but not more than five and the  
3 amount of the qualifying investment is one of the following:

4 (1) Less than fifty thousand dollars, then the tax incentive  
5 is the investment tax credit of up to three percent.

6 (2) At least fifty thousand dollars but less than two  
7 hundred fifty thousand dollars, then the tax incentives are the  
8 investment tax credit of up to three percent and the sales tax  
9 refund.

10 (3) At least two hundred fifty thousand dollars, then the  
11 tax incentives are the investment tax credit of up to three  
12 percent, the sales tax refund, and the additional research and  
13 development tax credit.

14 *c.* The number of jobs is six but not more than ten and the  
15 amount of the qualifying investment is one of the following:

16 (1) Less than fifty thousand dollars, then the tax incentive  
17 is the investment tax credit of up to four percent.

18 (2) At least fifty thousand dollars but less than two  
19 hundred fifty thousand dollars, then the tax incentives are the  
20 investment tax credit of up to four percent and the sales tax  
21 refund.

22 (3) At least two hundred fifty thousand dollars, then the  
23 tax incentives are the investment tax credit of up to four  
24 percent, the sales tax refund, and the additional research and  
25 development tax credit.

26 *d.* The number of jobs is eleven but not more than fifteen  
27 and the amount of the qualifying investment is one of the  
28 following:

29 (1) Less than fifty thousand dollars, then the tax incentive  
30 is the investment tax credit of up to five percent.

31 (2) At least fifty thousand dollars but less than two  
32 hundred fifty thousand dollars, then the tax incentives are the  
33 investment tax credit of up to five percent and the sales tax  
34 refund.

35 (3) At least two hundred fifty thousand dollars, then the

1 tax incentives are the investment tax credit of up to five  
2 percent, the sales tax refund, and the additional research and  
3 development tax credit.

4 *e.* The number of jobs is sixteen or more and the amount of  
5 the qualifying investment is one of the following:

6 (1) Less than fifty thousand dollars, then the tax incentive  
7 is the investment tax credit of up to six percent.

8 (2) At least fifty thousand dollars but less than two  
9 hundred fifty thousand dollars, then the tax incentives are the  
10 investment tax credit of up to six percent and the sales tax  
11 refund.

12 (3) At least two hundred fifty thousand dollars, then the  
13 tax incentives are the investment tax credit of up to six  
14 percent, the sales tax refund, and the additional research and  
15 development tax credit.

16 *f.* The number of jobs is thirty-one but not more than forty  
17 and the amount of the qualifying investment is at least two  
18 million dollars, then the tax incentives are the local property  
19 tax exemption, the investment tax credit of up to seven  
20 percent, the sales tax refund, and the additional research and  
21 development tax credit.

22 *g.* The number of jobs is forty-one but not more than sixty  
23 and the amount of the qualifying investment is at least five  
24 million dollars, then the tax incentives are the local property  
25 tax exemption, the investment tax credit of up to eight  
26 percent, the sales tax refund, and the additional research and  
27 development tax credit.

28 *h.* The number of jobs is sixty-one but not more than  
29 eighty and the amount of the qualifying investment is at least  
30 five million dollars, then the tax incentives are the local  
31 property tax exemption, the investment tax credit of up to nine  
32 percent, the sales tax refund, and the additional research and  
33 development tax credit.

34 *i.* The number of jobs is eighty-one but not more than one  
35 hundred and the amount of the qualifying investment is at least

1 five million dollars, then the tax incentives are the local  
2 property tax exemption, the investment tax credit of up to ten  
3 percent, the sales tax refund, and the additional research and  
4 development tax credit.

5 *j.* The number of jobs is at least one hundred one and the  
6 amount of the qualifying investment is at least ten million  
7 dollars, then the tax incentives are the local property  
8 tax exemption, the investment tax credit of up to eleven  
9 percent, the sales tax refund, and the additional research and  
10 development tax credit.

11 Sec. \_\_\_\_\_. Section 15.335B, subsection 3, paragraph c, Code  
12 2019, is amended to read as follows:

13 *c.* (1) Consider the amount and type of the local community  
14 match. as follows:

15 (a) In a community with a population of less than five  
16 thousand, a community match shall not be required.

17 (b) In a community with a population equal to or greater  
18 than five thousand but less than fifteen thousand, a community  
19 match of at least five percent of the projected funds to be  
20 expended shall be required.

21 (c) In a community with a population equal to or greater  
22 than fifteen thousand but less than thirty thousand, a  
23 community match of at least ten percent of the projected funds  
24 to be expended shall be required.

25 (d) In a community with a population equal to or greater  
26 than thirty thousand, a community match of at least twenty  
27 percent of the projected funds to be expended shall be  
28 required.

29 (2) The Notwithstanding subparagraph (1), the authority may  
30 provide assistance to an early-stage business in a high-growth  
31 industry regardless of the amount of local match involved.

32 Sec. \_\_\_\_\_. Section 28H.3, Code 2019, is amended by adding the  
33 following new subsection:

34 NEW SUBSECTION. 5. Coordinate with the economic  
35 development authority and other councils of government as

1 provided in section 15.106F.>

2 2. Title page, line 2, by striking <and workforce housing>

3 and inserting <, workforce housing, and high quality jobs>

---

GRASSLEY of Butler