

SENATE FILE 2065
BY BOSWELL

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act authorizing the establishment of enterprise zones.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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S.F. 2065

1 Section 1. NEW SECTION. 15E.181 TITLE OF ACT.

2 This division shall be known and may be cited as the
3 "Economic Development Enterprise Zone Act".

4 Sec. 2. NEW SECTION. 15E.182 PURPOSE.

5 The purpose of the economic development enterprise zone Act
6 is to promote new economic development and create jobs paying
7 family-supporting wages in economically distressed areas by
8 encouraging communities to target resources and planning
9 strategies in ways that attract economically productive
10 private investment.

11 Sec. 3. NEW SECTION. 15E.183 ELIGIBILITY CRITERIA.

12 1. A county may create an economic development enterprise
13 zone by designating up to one percent of the county area for
14 that purpose. A county may establish more than one enterprise
15 zone, however, the total amount of county area designated as
16 enterprise zones shall not exceed one percent of the county
17 area. An enterprise zone shall only be established on
18 commercial or industrial property or property that is planned
19 for future commercial or industrial development.

20 2. An enterprise zone shall only be formed in an area of
21 the county which meets at least one of the following criteria:

22 a. The county has an unemployment rate of at least one
23 hundred fifty percent of the state unemployment rate.

24 b. The county has experienced an outmigration rate of ten
25 percent or greater between the 1980 and 1990 censuses.

26 c. At least twenty percent of the population of the county
27 is economically disadvantaged. For the purposes of this
28 division, "economically disadvantaged" means the same as in
29 section 7B.2, subsection 3.

30 Sec. 4. NEW SECTION. 15E.184 STRATEGIC PLAN --
31 ELIGIBILITY FOR STATE ASSISTANCE.

32 An area designated as an economic development enterprise
33 zone shall be eligible for state assistance upon the
34 submission to the economic development enterprise zone
35 assistance committee of a strategic plan containing at least

1 the following elements:

2 1. The economic challenges facing the area or the county.

3 2. The actions necessary to address each identified
4 challenge.

5 3. The local commitment of resources and initiatives to
6 address the challenges.

7 The strategic plan may be developed by the county, a city
8 in which a zone is located, or by a regional planning entity
9 acting of behalf of the county or city.

10 Sec. 5. NEW SECTION. 15E.185 INTERAGENCY COMMITTEE --
11 STATE ASSISTANCE.

12 1. The governor shall establish an interagency committee
13 which shall be known as the economic development enterprise
14 zone assistance committee to identify state resources,
15 including resources available to the state from federal or
16 other sources, and to coordinate the provision of assistance
17 to enterprise zones in an efficient and comprehensive manner
18 which addresses the challenges facing the area within which
19 the enterprise zone is located.

20 2. The committee shall be composed of at least the
21 directors, or the directors' designees, of the department of
22 economic development, the Iowa finance authority, the
23 department of employment services, and the department of
24 education.

25 3. The committee shall hold an initial meeting within
26 sixty days of being established to elect a chairperson and
27 adopt rules for the operation of the committee. Thereafter,
28 the committee shall meet in accordance with a schedule
29 established by the committee.

30 4. The committee shall, not later than November 15 of each
31 year, provide a report to the general assembly in accordance
32 with section 7A.11 regarding the committee's activities.

33 EXPLANATION

34 This bill provides for the establishment of economic
35 development enterprise zones in counties which have an

1 unemployment rate which is one and a half times the state
2 average, which have had a 10 percent outmigration rate between
3 1980 and 1990, or which have at least 20 percent of the county
4 population classified as economically disadvantaged for
5 purposes of the job training partnership program (chapter 7B).
6 Economically disadvantaged includes receiving welfare
7 payments, food stamps, or being below the federal poverty
8 level.

9 A county can designate up to one percent of the area of the
10 county as one or more enterprise zones. Enterprise zones can
11 only be located in areas zoned industrial or commercial or
12 which are planned for use as future business property.

13 A county, city, or regional planning entity would have to
14 submit a strategic plan for the enterprise zone to qualify for
15 state assistance. The plan must state the economic challenges
16 facing the county, the actions which will be taken to address
17 those issues, and what financial or other commitment will be
18 made by the community.

19 The bill also provides for the creation by the governor of
20 an interagency committee to oversee the provision of state
21 assistance to enterprise zones.

22 Conforming amendments may be necessary to implement this
23 bill.

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