

FEB 7 1998

ECONOMIC DEVELOPMENT

HOUSE FILE

*2229*

**WITHDRAWN**

*3/16/98*

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the entrepreneurs with disabilities program.  
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

*HF 2229*

1 Section 1. Section 15.241, Code 1997, is amended to read  
2 as follows:

3 15.241 IOWA "SELF-EMPLOYMENT LOAN PROGRAM".

4 1. A "self-employment loan program account" is established  
5 within the strategic investment fund created in section 15.313  
6 to provide funding for the self-employment loan program which  
7 is to be conducted in coordination with the job training  
8 partnership program and other programs administered under  
9 section 15.108, subsection 5, paragraph "c". The department  
10 may contract with local community action agencies or other  
11 local entities in administering the program, and shall work  
12 with the department of workforce development and the  
13 department of human services in developing the program. ~~The~~  
14 ~~department shall cooperate with the division of vocational~~  
15 ~~rehabilitation and the department of education to implement~~  
16 ~~a business development initiative for entrepreneurs with~~  
17 ~~disabilities.~~

18 The self-employment loan program shall administer a low-  
19 interest loan program to provide loans to low-income persons  
20 and persons with disabilities for the purpose of establishing  
21 or expanding small business ventures. The terms of the loans  
22 shall be determined by the department, but shall not be in  
23 excess of ten thousand dollars to any single applicant or at a  
24 rate to exceed five percent simple interest per annum. The  
25 department shall maintain records of all loans approved and  
26 the effectiveness of those loans in establishing or expanding  
27 small business ventures.

28 The department may provide grants of not more than five  
29 thousand dollars under the program, if the grants are used to  
30 secure additional financing from private sources. The  
31 department may provide a service fee to financial institutions  
32 for administering loans provided under this section.

33 Payments of interest, recaptures of awards, and repayments  
34 of money loaned under this program shall be deposited into  
35 the strategic investment fund. Receipts from loans or grants

1 under the ~~business-development-initiative-for~~ entrepreneurs  
2 with disabilities program may be maintained in a separate  
3 account within the fund.

4 2. a. The department shall cooperate with the department  
5 of education, division of vocational rehabilitation, and the  
6 department for the blind to implement an entrepreneurs with  
7 disabilities program designed to provide technical assistance  
8 to a qualified business under this subsection.

9 b. A business qualifies for assistance under this program  
10 if the business is fifty-one percent or more owned, operated,  
11 and actively managed by one or more persons with a disability  
12 and is located in this state, operated for profit, and has a  
13 gross income of less than three million dollars computed as an  
14 average of the three preceding years. "Disability" means  
15 disability as defined in section 15.102.

16 c. A person shall not be required to be a client of the  
17 division of vocational rehabilitation services or the  
18 department for the blind in order to qualify for assistance  
19 under this program.

20 d. The department shall adopt rules as necessary for the  
21 administration of the program.

22 EXPLANATION

23 This bill provides for the implementation of an  
24 entrepreneurs with disabilities program designed to provide  
25 technical assistance to qualified businesses. The department  
26 of economic development is required to cooperate with the  
27 department of education, division of vocational  
28 rehabilitation, and with the department for the blind in  
29 implementing this program.

30 A business qualifying for assistance is a business which is  
31 51 percent owned, operated, and actively managed by one or  
32 more persons with a disability and is located in the state,  
33 operated for profit, and has a gross income of less than \$3  
34 million. A qualified business does not need to be a client of  
35 the division of vocational rehabilitation services or the

1 department for the blind.

2 The department of economic development shall adopt rules  
3 for the administration of the program.

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28
- 29
- 30
- 31
- 32
- 33
- 34
- 35