

WITHDRAWN

FEB 14 1997
Place On Calendar

*Substituted for
leg SF 272 (p. 768)
3-25-97*

HOUSE FILE 251
BY COMMITTEE ON ECONOMIC
DEVELOPMENT

(SUCCESSOR TO HSB 53)

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

A BILL FOR

1 An Act relating to the implementation of certain assistance
2 programs of the department of economic development.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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

HF 251

WITHDRAWN

1 Section 1. Section 15.108, subsection 1, paragraph c, Code
2 1997, is amended to read as follows:

3 c. Provide financial assistance to local development
4 corporations as provided for in sections 15E.25 ~~to~~ through
5 15E.29. Such financial assistance is subject to the
6 availability of funds in the building loan fund established in
7 section 15E.26.

8 Sec. 2. Section 15.108, subsection 7, paragraph i, Code
9 1997, is amended to read as follows:

10 i. Assist in the development, promotion, implementation,
11 and administration of a statewide network of regional
12 corporations designed to increase the availability of
13 financing for small businesses as provided for in sections
14 15.261 through 15.268. The department shall administer this
15 paragraph subject to the availability of funds in the small
16 business economic development corporation fund established in
17 section 15.263.

18 EXPLANATION

19 The department of economic development has the
20 responsibility of providing financial assistance to local
21 development corporations. These corporations are formed by
22 citizens interested in economic growth in their communities
23 through financing construction of buildings to attract
24 business or industry. This bill provides that financial
25 assistance to these corporations is subject to the
26 availability of funds in the building loan fund.

27 The department is also responsible for assisting in the
28 development, promotion, implementation, and administration of
29 a statewide network of regional corporations designed to
30 increase the availability of financing for small businesses.
31 This bill provides that such assistance is subject to the
32 availability of funds in the small business economic
33 development corporation fund.

34
35

Thomson, Ch
Jenkins
Scherrman

HSB 53

ECONOMIC DEVELOPMENT

Succeeded By

SENATE/HOUSE FILE HF 251
BY (PROPOSED DEPARTMENT OF
ECONOMIC DEVELOPMENT BILL)

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

A BILL FOR

1 An Act relating to the implementation of certain assistance
2 programs of the department of economic development.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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

1 Section 1. Section 15.108, subsection 1, paragraph c, Code
2 1997, is amended to read as follows:

3 c. Provide financial assistance to local development
4 corporations as provided for in sections 15E.25 ~~to~~ through
5 15E.29. Such financial assistance is subject to the
6 availability of funds in the building loan fund established in
7 section 15E.26.

8 Sec. 2. Section 15.108, subsection 7, paragraph i, Code
9 1997, is amended to read as follows:

10 i. Assist in the development, promotion, implementation,
11 and administration of a statewide network of regional
12 corporations designed to increase the availability of
13 financing for small businesses as provided for in sections
14 15.261 through 15.268. The department shall administer this
15 paragraph subject to the availability of funds in the small
16 business economic development corporation fund established in
17 section 15.263.

18 EXPLANATION

19 The department of economic development has the
20 responsibility of providing financial assistance to local
21 development corporations. These corporations are formed by
22 citizens interested in economic growth in their communities
23 through financing construction of buildings to attract
24 business or industry. This bill provides that financial
25 assistance to these corporations is subject to the
26 availability of funds in the building loan fund.

27 The department is also responsible for assisting in the
28 development, promotion, implementation, and administration of
29 a statewide network of regional corporations designed to
30 increase the availability of financing for small businesses.
31 This bill provides that such assistance is subject to the
32 availability of funds in the small business economic
33 development corporation fund.

34

35

LSB1327DP

MEMORANDUM ON PROPOSED LEGISLATION
LSB # 1327DP

TO: Members of the Iowa General Assembly
FROM: Iowa Department of Economic Development
DATE: January 8, 1997
RE: Implementation of Financial Assistance Programming

**Financial Assistance for Local Development Corporations and the Small Business
Economic Development Corporation Fund.**

The office of the Iowa State Auditor has cited sections of the Code which state that the Iowa Department of Economic Development (IDED) has the responsibility for implementing financial assistance to the Building Loan Fund for local development corporations (IC 15.108(1)) as well as the Statewide Network of Regional Corporations for small business economic development corporations (IC 15.108(7) and IC 15.261). However, resources have never been appropriated by the Iowa General Assembly for either of these initiatives.

IDED, therefore, proposes amendments to the Code which would clarify that the department will implement financial assistance to these programs if and when money is appropriated to their respective funding sources.

Comments or questions regarding this issue? Contact IDED's Legislative Liaison,
Elliott Smith (ph: 242-4777).