

FEB 1 2008

ECONOMIC DEVELOPMENT

HOUSE FILE 2122
BY WARNSTADT

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

A BILL FOR

1 An Act allowing cities and counties to create enterprise zones
2 near modes of transportation.

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

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HF 2122

1 Section 1. Section 15E.192, Code 1999, is amended by
2 adding the following new subsection:

3 NEW SUBSECTION. 2A. A city or county may create an
4 economic development enterprise zone as authorized in this
5 division, subject to certification by the department of
6 economic development, by designating up to four square miles
7 of the city or county for that purpose. In order for an
8 enterprise zone to be certified pursuant to this subsection,
9 an enterprise zone shall meet the distress criteria provided
10 in section 15E.194, subsection 2A. Section 15E.194,
11 subsections 1 and 2, shall not apply to an enterprise zone
12 certified pursuant to this subsection.

13 Sec. 2. Section 15E.192, subsection 3, Code 1999, is
14 amended to read as follows:

15 3. A county or city may apply to the department for an
16 area to be certified as an enterprise zone at any time prior
17 to July 1, 2000. However, the a county or city may apply to
18 the department for an area to be certified as an enterprise
19 zone pursuant to subsection 2A at any time prior to July 1,
20 2001. The total amount of land designated as enterprise zones
21 under subsections 1 and 2 shall not exceed in the aggregate
22 one percent of the total county area.

23 Sec. 3. Section 15E.194, subsection 2, unnumbered
24 paragraph 1, Code 1999, is amended to read as follows:

25 An enterprise zone may be designated by a city with a
26 population of twenty-four thousand or more which meets at
27 least two of the following criteria:

28 Sec. 4. Section 15E.194, Code 1999, is amended by adding
29 the following new subsection:

30 NEW SUBSECTION. 2A. A city or county may designate an
31 area of up to four square miles to be an enterprise zone if
32 the area includes or is located within one mile of at least
33 three of the following:

- 34 a. A commercial service airport.
35 b. A barge terminal or a navigable waterway.

1 c. Entry to a rail line.

2 d. Entry to an interstate highway.

3 e. Entry to a commercial and industrial highway network as
4 identified pursuant to section 313.2A.

5 Sec. 5. Section 15E.194, subsection 3, Code 1999, is
6 amended to read as follows:

7 3. The department of economic development shall certify
8 eligible enterprise zones that meet the requirements of
9 subsection 1 upon request by the county, or subsection 2 upon
10 request by the city, or subsection 2A upon request by the
11 county or city, as applicable.

12 Sec. 6. Section 15E.195, subsections 1 and 2, Code 1999,
13 are amended to read as follows:

14 1. A county which designates an enterprise zone pursuant
15 to section 15E.194, subsection 1 or 2A, and in which an
16 eligible enterprise zone is certified shall establish an
17 enterprise zone commission to review applications from
18 qualified businesses located within or requesting to locate
19 within an enterprise zone designated pursuant to section
20 15E.194, subsection 1 or 2A, to receive incentives or
21 assistance as provided in section 15E.196. The enterprise
22 zone commission shall also review applications from qualified
23 housing businesses requesting to receive incentives or
24 assistance as provided in section 15E.193B. The commission
25 shall consist of nine members. Five of these members shall
26 consist of one representative of the board of supervisors, one
27 member with economic development expertise chosen by the
28 department of economic development, one representative of the
29 county zoning board, one member of the local community college
30 board of directors, and one representative of the local
31 workforce development center. These five members shall select
32 the remaining four members. If the enterprise zone consists
33 of an area meeting the requirements for eligibility for an
34 urban or rural enterprise community under Title XIII of the
35 federal Omnibus Budget Reconciliation Act of 1993, one of the

1 remaining four members shall be a representative of that
2 community. A county shall have only one enterprise zone
3 commission to review applications for incentives and
4 assistance for businesses located within or requesting to
5 locate within a certified enterprise zone designated pursuant
6 to section 15E.194, subsection 1 or 2A.

7 2. A city ~~with a population of twenty-four thousand or~~
8 ~~more~~ which designates an enterprise zone pursuant to section
9 15E.194, subsection 2 or 2A, and in which an eligible
10 enterprise zone is certified shall establish an enterprise
11 zone commission to review applications from qualified
12 businesses located within or requesting to locate within an
13 enterprise zone to receive incentives or assistance as
14 provided in section 15E.196. The commission shall consist of
15 nine members. Six of these members shall consist of one
16 representative of an international labor organization, one
17 member with economic development expertise chosen by the
18 department of economic development, one representative of the
19 city council, one member of the local community college board
20 of directors, one member of the city planning and zoning
21 commission, and one representative of the local workforce
22 development center. These six members shall select the
23 remaining three members. If the enterprise zone consists of
24 an area meeting the requirements for eligibility for an urban
25 enterprise community under Title XIII of the federal Omnibus
26 Budget Reconciliation Act of 1993, one of the remaining three
27 members shall be a representative of that community. If a
28 city contiguous to the city designating the enterprise zone is
29 included in an enterprise zone, a representative of the
30 contiguous city, chosen by the city council, shall be a member
31 of the commission. A city in which an eligible enterprise
32 zone is certified shall have only one enterprise zone
33 commission. If a city has established an enterprise zone
34 commission prior to the effective date of this Act, the city
35 may petition to the department of economic development to

1 change the structure of the existing commission.

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EXPLANATION

This bill allows the creation of a new type of enterprise zone within the economic development enterprise zone program administered by the department of economic development.

The bill provides that any city or county in the state may create an enterprise zone, subject to certification by the department, by designating up to four square miles of the city or county for that purpose. In order to be certified, the area must include or be located within one mile of three of the following: a commercial service airport, a barge terminal or a navigable waterway, entry to a rail line, entry to an interstate highway, or entry to a commercial and industrial highway network.

The bill provides that applications for the new type of enterprise zone may only be filed prior to July 1, 2001. Applications for all other types of enterprise zones must be filed prior to July 1, 2000.