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

Passed	Senate,	Date	<u></u>	Passed	House	, Date	:	
Vote:	Ayes	Nays		Vote:	Ayes	<u> </u>	Nays	<u></u>
	Ap	pproved						

## A BILL FOR

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TLSB 1320DP 78 tm/gg/8 S.F. H.F.

Succeeded EV

1 \_\_\_\_Section \172 Section 8.57, subsection 5, paragraph e, Code
2 1999, is amended to read as follows:

8 e. Notwithstanding provisions to the contrary in sections 4 99D.17 and 99F.11, for the <u>each</u> fiscal years-beginning-duly-l7 5 19957-and-duly-l7-19967 year not more than a total of sixty 6 million dollars;-and-for-each-fiscal-year-thereafter; shall be 7 deposited in the general fund of the state in-any-fiscal-year 8 pursuant to sections 99D.17 and 99F.11 and ten million dollars 9 shall be deposited in the community attraction and tourism 10 development fund established in section 15.372. The total 11 moneys in excess of the moneys deposited in the general fund 12 and in the community attraction and tourism development fund 13 in a fiscal year shall be deposited in the infrastructure fund 14 and shall be used as provided in this section, notwithstanding 15 section 8.60.

16 Sec. 2. <u>NEW SECTION</u>. 15.371 COMMUNITY ATTRACTION AND 17 TOURISM DEVELOPMENT PROGRAM.

18 1. The department shall establish and administer a 19 community attraction and tourism development program to assist 20 communities in the development and creation of multiple 21 purpose attraction and tourism facilities and to further the 22 development of marketing efforts and promotion of existing 23 Iowa tourism attractions and events.

24 2. Only a political subdivision of the state may submit an 25 application to the department for financial assistance for a 26 project under the program. The assistance shall be in the 27 form of grants, loans, forgivable loans, and loan guarantees. 28 The application shall include, but not be limited to, the 29 following information:

30 a. The total capital investment of the project.

31 b. The amount or percentage of local and private matching 32 moneys which will be provided for the project.

33 c. The total number of jobs to be created or retained by 34 the project.

35 d. The need of the community for the project and the

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1 financial assistance.

e. The long-term tax generating impact of the project.
Sec. 3. <u>NEW SECTION</u>. 15.372 COMMUNITY ATTRACTION AND
4 TOURISM DEVELOPMENT FUND.

5 1. The department may establish a community attraction and 6 tourism development fund consisting of any moneys appropriated 7 by the general assembly for that purpose and any other moneys 8 available to and obtained or accepted by the department for 9 placement in the fund.

10 2. Payments of interest, repayments of moneys loaned 11 pursuant to this division, and recaptures of awards shall be 12 deposited in the fund.

13 3. The fund may be used for any of the following purposes:
14 a. To provide grants, loans, forgivable loans, and loan
15 guarantees under the community attraction and tourism
16 development program established in section 15.371.

b. To provide for tourism advertising and community attraction and tourism development program marketing and administrative costs. In order to determine the marketing allocation, at the beginning of each fiscal year, the department shall determine the current average regional tourism advertising budget of contiguous states. The allocation of marketing expenditures under this paragraph shall be equivalent to the average regional state tourism advertising budget minus the current tourism advertising placement budget of the department.

Sec. 4. <u>NEW SECTION</u>. 15.373 COMMUNITY ATTRACTION AND
TOURISM DEVELOPMENT PROGRAM REVIEW COMMITTEE -- APPLICATION
REVIEW.

30 1. A community attraction and tourism development program 31 review committee is established consisting of ten members. 32 The director shall appoint three members from the travel 33 federation of Iowa representing three tourism regions, two 34 members from gaming facilities representing riverboats and 35 race tracks, one member from an association with expertise in

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1 the vertical infrastructure industry, and one member of the 2 Iowa economic development board. The remaining three members 3 shall consist of one member appointed by the administrator of 4 the parks and preserves division of the department of natural 5 resources, one member appointed by the administrator of the 6 historical division of the department of cultural affairs, and 7 one member appointed by the director of transportation.

8 2. The community attraction and tourism development 9 program review committee shall review applications for 10 community attraction and tourism development fund assistance 11 and make recommendations to the department regarding the 12 applications. Upon review of the recommendations of the 13 committee, the department shall approve, defer, or deny the 14 application.

15 3. When reviewing the applications, the community 16 attraction and tourism development program review committee 17 and the department shall consider, at a minimum, all of the 18 following:

a. Whether the wages, benefits, including health benefits,
safety, and other attributes of the project would improve the
quality of attraction and tourism employment in the community.
b. The extent to which such a project would generate
additional attraction and tourism opportunities.

24 c. The ability of the project to produce a long-term tax 25 generating economic impact.

26 Sec. 5. This Act, being deemed of immediate importance, 27 takes effect upon enactment.

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### EXPLANATION

This bill establishes the community attraction and tourism development program. The bill provides that the program will assist communities in the development and creation of multiple purpose attraction and tourism facilities and to further the development of marketing efforts and promotion of existing Howa tourism attractions and events. Only a political subdivision of the state may submit an application for

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1 financial assistance under the program. The bill provides 2 that all applications are initially reviewed by the 10-member 3 community attraction and tourism development program review 4 committee. After reviewing the recommendations by the 5 committee, the department is required to approve, defer, or 6 deny the application. The bill provides that criteria which 7 are to be considered in reviewing the application include the 8 projected employment impact of the project, the projected 9 attraction and tourism opportunities generated by the project, 10 and the projected economic impact of the project. The bill also establishes the community attraction and 11 12 tourism development fund. The bill provides that the fund is 13 to be used for funding projects under the community attraction 14 and tourism development program and for tourism advertising 15 and community attraction and tourism development program 16 marketing and administrative costs. The bill provides that 17 \$10 million shall be appropriated from the rebuild Iowa 18 infrastructure fund each fiscal year. 19 The bill takes effect upon enactment. 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 LSB 1320DP 78



TO: General Assembly FROM: Kim Statler, IDED Legislative Liaison DATE: November 30, 1998 RE: Community Attraction and Tourism Development Program

## Community Attraction and Tourism Development Program

Prior to the last legislative session, the Recreation Summit was held to develop a plan to look at increasing the number of tourism attractions in lowa, as well as improving our existing recreation opportunities. Several recommendations were made to the Legislature, including a larger commitment by the state to develop sites. During the final days of session, a proposal emerged to create a competitive funding process for communities to partner with the State of lowa, to create more attractions in this state. As a result of those discussions and many meetings with the Travel Federation of lowa, the proposed legislation creates the Community Attraction and Tourism Development Program.

The Community Attraction and Tourism Development Fund will be a \$10M fund used to partner with communities to establish more tourism attractions for lowans, as well as travelers coming into the state. The first \$1.7 million of the fund balance will be used for tourism advertising to bring the state's advertising budget up to the regional average. The remaining fund dollars may be distributed in the form of a loan, forgivable loan, grant, or loan guarantee. Applicants will be required to demonstrate community commitment to the project, as well as the return on investment to the state and the community. Applications will be reviewed by a review and selection committee created in the legislation, with final approval by the IDED director.

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FILED MAR 9 1999

SENATE FILE 353

BY COMMITTEE ON SMALL BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM

(SUCCESSOR TO SSB 1080)

Passed	Senate, D	ate	Passed	House,	Date _	
Vote:	Ayes	Nays	Vote:	Ayes	Nag	ys
	App	roved				

# A BILL FOR

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1	An	Act establishing the community attraction and tourism
2		development program and fund, making an appropriation, and
3		providing an effective date.
4	BE	IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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1 Section 1. Section 8.57, subsection 5, paragraph e, Code
2 1999, is amended to read as follows:

8 e. Notwithstanding provisions to the contrary in sections 4 99D.17 and 99F.11, for the <u>each</u> fiscal years-beginning-July-17 5 19957-and-July-17-19967 year not more than a total of sixty 6 million dollars7-and-for-each-fiscal-year-thereafter; shall be 7 deposited in the general fund of the state in-any-fiscal-year 8 pursuant to sections 99D.17 and 99F.11 and ten million dollars 9 shall be deposited in the community attraction and tourism 10 development fund established in section 15.372. The total 11 moneys in excess of the moneys deposited in the general fund 12 and in the community attraction and tourism development fund 13 in a fiscal year shall be deposited in the infrastructure fund 14 and shall be used as provided in this section, notwithstanding 15 section 8.60.

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18 1. The department shall establish and administer a
19 community attraction and tourism development program to assist
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21 purpose attraction and tourism facilities and to further the
22 development of marketing efforts and promotion of existing
23 Iowa tourism attractions and events.

Only a political subdivision of the state may submit an
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 project under the program. The assistance shall be in the
 form of grants, loans, forgivable loans, and loan guarantees.
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35 d. The need of the community for the project and the

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1 financial assistance.

2 e. The long-term tax generating impact of the project.
3 Sec. 3. <u>NEW SECTION</u>. 15.372 COMMUNITY ATTRACTION AND
4 TOURISM DEVELOPMENT FUND.

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5 1. The department may establish a community attraction and 6 tourism development fund consisting of any moneys appropriated 7 by the general assembly for that purpose and any other moneys 8 available to and obtained or accepted by the department for 9 placement in the fund.

10 2. Payments of interest, repayments of moneys loaned 11 pursuant to this division, and recaptures of awards shall be 12 deposited in the fund.

3. The fund may be used for any of the following purposes:
a. To provide grants, loans, forgivable loans, and loan
15 guarantees under the community attraction and tourism
16 development program established in section 15.371.

b. To provide for tourism advertising and community attraction and tourism development program marketing and administrative costs. In order to determine the marketing allocation, at the beginning of each fiscal year, the department shall determine the current average regional tourism advertising budget of contiguous states. The allocation of marketing expenditures under this paragraph shall be equivalent to the average regional state tourism advertising budget minus the current tourism advertising placement budget of the department.

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1 the vertical infrastructure industry, and one member of the 2 Iowa economic development board. The remaining three members 3 shall consist of one member appointed by the administrator of 4 the parks and preserves division of the department of natural 5 resources, one member appointed by the administrator of the 6 historical division of the department of cultural affairs, and 7 one member appointed by the director of transportation.

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s.f. **353** H.F.

11 The bill also establishes the community attraction and 12 tourism development fund. The bill provides that the fund is 13 to be used for funding projects under the community attraction 14 and tourism development program and for tourism advertising 15 and community attraction and tourism development program 16 marketing and administrative costs. The bill provides that 17 \$10 million shall be appropriated from the rebuild Iowa 18 infrastructure fund each fiscal year.

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The bill takes effect upon enactment.

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> LSB 1320SV 78 tm/gg/8