

JAN 9 2006  
ECONOMIC GROWTH

HOUSE FILE 2027  
BY WISE

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act establishing an economic enterprise area infrastructure  
2 fund and making appropriations.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HC 2027

1 Section 1. NEW SECTION. 8.57C ECONOMIC ENTERPRISE AREA  
2 INFRASTRUCTURE FUND.

3 1. An economic enterprise area infrastructure fund is  
4 created under the authority of the department of economic  
5 development. The fund shall consist of appropriations made to  
6 the fund and transfers of interest, earnings, and moneys from  
7 other funds as provided by law. The fund shall be separate  
8 from the general fund of the state and the balance in the fund  
9 shall not be considered part of the balance of the general  
10 fund of the state. However, the fund shall be considered a  
11 special account for the purposes of section 8.53, relating to  
12 generally accepted accounting principles.

13 2. Notwithstanding section 12C.7, subsection 2, interest  
14 or earnings on moneys in the economic enterprise area  
15 infrastructure fund shall be credited to the rebuild Iowa  
16 infrastructure fund.

17 3. Moneys in the fund shall be used to provide financial  
18 assistance for physical infrastructure purposes in the form of  
19 grants, loans, forgivable loans, loan guarantees, and other  
20 forms of assistance to economic enterprise areas designated  
21 pursuant to section 15E.233.

22 4. An economic enterprise area may apply to the department  
23 of economic development for financial assistance from the  
24 fund. Financial assistance shall be used for physical  
25 infrastructure purposes including, but not limited to,  
26 horizontal infrastructure, water and sewer infrastructure, and  
27 telecommunications infrastructure. The department shall  
28 develop criteria for approving financial assistance  
29 applications. If an application is denied, the department  
30 shall notify the applicant of the reasons for the denial.

31 5. There is appropriated from the rebuild Iowa  
32 infrastructure fund to the economic enterprise area  
33 infrastructure fund, five million dollars each fiscal year for  
34 the fiscal period beginning July 1, 2006, and ending June 30,  
35 2015. Moneys deposited in the fund shall be used for purposes

1 setout in subsections 3 and 4. Moneys in the fund that remain  
2 unexpended and unobligated at the end of a fiscal year shall  
3 remain in the fund for the succeeding fiscal year to be used  
4 for purposes of the fund.

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EXPLANATION

6 This bill establishes an economic enterprise area  
7 infrastructure fund and makes appropriations.

8 The bill creates an economic enterprise area infrastructure  
9 fund under the authority of the department of economic  
10 development. The fund shall be separate from the general fund  
11 of the state and the balance in the fund shall not be  
12 considered part of the balance of the general fund of the  
13 state. However, the fund shall be considered a special  
14 account for the purposes of Code section 8.53, relating to  
15 generally accepted accounting principles.

16 The bill provides that moneys in the fund shall be used to  
17 provide financial assistance for physical infrastructure  
18 purposes in the form of grants, loans, forgivable loans, loan  
19 guarantees, and other forms of assistance to economic  
20 enterprise areas designated pursuant to Code section 15E.233.

21 The bill provides that an economic enterprise area may  
22 apply to the department for financial assistance from the fund  
23 which must be used for physical infrastructure purposes. The  
24 bill requires the department to develop criteria for approving  
25 financial assistance applications.

26 The bill appropriates from the rebuild Iowa infrastructure  
27 fund to the economic enterprise area infrastructure fund, \$5  
28 million each fiscal year for the fiscal period beginning July  
29 1, 2006, and ending June 30, 2015. The bill provides that  
30 moneys in the fund that remain unexpended and unobligated at  
31 the end of a fiscal year shall remain in the fund for the  
32 succeeding fiscal year to be used for purposes of the fund.

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