

FILED FEB 12 2006

SENATE FILE 2147  
BY ANGELO

Passed Senate, Date 3-1-06 Passed House, Date \_\_\_\_\_  
Vote: Ayes 50 Nays 0 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved March 22, 2006

**A BILL FOR**

1 An Act relating to the requirement of location as an eligibility  
2 criterion for businesses under the enterprise zone program.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

**SENATE FILE 2147**

**S-5017**

- 1 Amend Senate File 2147 as follows:
- 2 1. Page 1, by inserting after line 8, the
- 3 following:
- 4 "Sec. \_\_\_\_ . EFFECTIVE DATE. This Act, being deemed
- 5 of immediate importance, takes effect upon enactment."
- 6 2. Title page, line 2, by inserting after the
- 7 word "program" the following: "and providing an
- 8 effective date".
- 9 3. By renumbering as necessary.

**By JEFF ANGELO**

**S-5017 FILED MARCH 1, 2006**  
ADOPTED

SC 2147

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 15E.193, subsection 1, unnumbered  
2 paragraph 1, Code 2005, is amended to read as follows:

3 A business which is or will be located, in whole or in  
4 part, in an enterprise zone is eligible to receive incentives  
5 and assistance under this division if the business has not  
6 closed or reduced its operation in one area of the state and  
7 relocated substantially the same operation into the enterprise  
8 zone and if the business meets all of the following:

9 EXPLANATION

10 This bill relates to the requirement of location as an  
11 eligibility criterion for businesses under the enterprise zone  
12 program.

13 The bill provides that a business may be an eligible  
14 business under the enterprise zone program if the business is  
15 partially located in an enterprise zone.

16  
17  
18

SENATE FILE 2147

S-5013

1 Amend Senate File 2147 as follows:

2 1. Page 1, by inserting after line 8 the  
3 following:

4 "Sec. \_\_\_\_ Section 15E.193, subsection 1, Code  
5 2005, is amended by adding the following new  
6 paragraph:

7 NEW PARAGRAPH. f. If the business is only  
8 partially located in an enterprise zone, the business  
9 must be located on contiguous land."

10 2. By renumbering as necessary.

By BOB BRUNKHORST  
JEFF ANGELO  
WILLIAM A. DOTZLER

S-5013 FILED FEBRUARY 23, 2006

34  
35



1 Section 1. Section 15E.193, subsection 1, unnumbered  
2 paragraph 1, Code 2005, is amended to read as follows:

3 A business which is or will be located, in whole or in  
4 part, in an enterprise zone is eligible to receive incentives  
5 and assistance under this division if the business has not  
6 closed or reduced its operation in one area of the state and  
7 relocated substantially the same operation into the enterprise  
8 zone and if the business meets all of the following:

9 Sec. 2. Section 15E.193, subsection 1, Code 2005, is  
10 amended by adding the following new paragraph:

11 NEW PARAGRAPH. f. If the business is only partially  
12 located in an enterprise zone, the business must be located on  
13 contiguous land.

14 Sec. 3. EFFECTIVE DATE. This Act, being deemed of  
15 immediate importance, takes effect upon enactment.

16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35

**Fiscal Services Division**  
**Legislative Services Agency**  
**Fiscal Note**

---

SF 2147 - Enterprise Zones, Location of Projects (LSB 5968 XS)  
Analyst: Ron Robinson (Phone: [515] 281-6256) ([ron.robinson@legis.state.ia.us](mailto:ron.robinson@legis.state.ia.us))  
Fiscal Note Version - New

---

**Description**

Senate File 2147 extends enterprise zone benefits to a business that is located in whole or in part in a zone if the part of the business that is not within the zone is located on contiguous land to the zone.

**Background**

There is currently one identified Project that will be impacted by the Bill. The Project is a proposed ethanol plant to be located in Adams County.

**Assumptions**

1. The number of business projects that will be impacted by the Bill is unknown.
2. A project outside of an enterprise zone would qualify as an Industrial New Jobs Training Project.
3. The identified Project currently qualifies for an estimated \$2.3 million under the Industrial New Jobs Training Program and an additional \$4.8 million if the Project was within an enterprise zone.

**Fiscal Impact**

The fiscal impact of SF 2147 can not be determined since the number of new projects that would qualify for enterprise zone assistance is unknown. However, the identified Project will result in an estimated net State General Fund revenue reduction of \$4.8 million.

The fiscal impact does not include an adjustment for "indirect" impacts on State or local revenue. Both positive and negative indirect impacts are possible. Positive indirect impacts may include employees expending salary dollars within the State and growth in other businesses created and expanded to meet the needs of the new business. Negative indirect impacts may include the effect of the new business on other Iowa businesses when competing for labor, capital, and sales, as well as the additional demand for schools, roads, police and fire protection, and other government services that necessarily result from higher levels of employment and population.

**Source**

Department of Economic Development

/s/ Holly M. Lyons

---

March 10, 2006

---

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.

---

Sec. 3. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

SENATE FILE 2147

AN ACT

RELATING TO THE REQUIREMENT OF LOCATION AS AN ELIGIBILITY  
CRITERION FOR BUSINESSES UNDER THE ENTERPRISE ZONE PROGRAM  
AND PROVIDING AN EFFECTIVE DATE.

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

Section 1. Section 15E.193, subsection 1, unnumbered paragraph 1, Code 2005, is amended to read as follows:

A business which is or will be located, in whole or in part, in an enterprise zone is eligible to receive incentives and assistance under this division if the business has not closed or reduced its operation in one area of the state and relocated substantially the same operation into the enterprise zone and if the business meets all of the following:

Sec. 2. Section 15E.193, subsection 1, Code 2005, is amended by adding the following new paragraph:

NEW PARAGRAPH. f. If the business is only partially located in an enterprise zone, the business must be located on contiguous land.

---

JOHN P. KIBBIE  
President of the Senate

---

CHRISTOPHER C. RANTS  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2147, Eighty-first General Assembly.

---

MICHAEL E. MARSHALL  
Secretary of the Senate

Approved \_\_\_\_\_, 2006

---

THOMAS J. VILSACK  
Governor