

**House File 129 - Introduced**

HOUSE FILE 129

BY THOMAS, MURPHY, STECKMAN,  
RUNNING-MARQUARDT, HALL,  
GASKILL, ABDUL-SAMAD,  
OURTH, GAINES, HANSON,  
JACOBY, LENSING, STUTSMAN,  
KELLEY, MUHLBAUER, FORBES,  
DUNKEL, RIDING, H. MILLER,  
ANDERSON, KAJTAZOVIC,  
WESSEL-KROESCHELL,  
WINCKLER, LYKAM, COHOON, M.  
SMITH, MASCHER, T. TAYLOR,  
KRESSIG, WOLFE, STAED,  
KEARNS, BEARINGER, and  
HEDDENS

**A BILL FOR**

1 An Act relating to employee stock ownership plans by making  
2 an appropriation to provide assistance, promotion, and  
3 education to interested businesses and to obtain the  
4 services of an expert in employee stock ownership plans.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. EMPLOYEE STOCK OWNERSHIP PLAN ASSISTANCE AND  
2 PROMOTION.

3 1. There is appropriated from the general fund of the state  
4 to the economic development authority for the fiscal year  
5 beginning July 1, 2013, and ending June 30, 2014, the following  
6 amount, or so much thereof as is necessary, to be used for the  
7 purposes designated:

8 For providing financial assistance, including establishment  
9 of a loan program, and technical assistance, marketing, and  
10 education to businesses interested in establishing employee  
11 stock ownership plans and for procuring the services of an  
12 independent contractor with expertise in the formation of  
13 employee stock ownership plans:

14 ..... \$ 1,000,000

15 2. Notwithstanding section 8.33, moneys appropriated  
16 pursuant to this section shall not revert but shall remain  
17 available to the economic development authority for the  
18 purposes designated until expended. Notwithstanding  
19 section 12C.7, subsection 2, earnings or interest on moneys  
20 appropriated pursuant to this section shall be retained by  
21 the economic development authority and used for the purposes  
22 designated until expended.

23 3. On or before January 15, 2015, the authority shall  
24 provide to the general assembly and the governor's office a  
25 report describing the expenditure of funds pursuant to this  
26 section and evaluating the success of the assistance and  
27 promotion program.

28 4. For purposes of this section, "employee stock ownership  
29 plan" means an employee stock ownership plan, as defined in  
30 Section 4975(e)(7) of the Internal Revenue Code, and trust  
31 that are established by a corporation for the benefit of the  
32 employees of the corporation.

33 EXPLANATION

34 This bill relates to employee stock ownership plans by  
35 making an appropriation of \$1 million for FY 2014 to the

1 economic development authority for the purpose of providing  
2 financial assistance, including the establishment of a loan  
3 program, and technical assistance, marketing, and education to  
4 businesses regarding the formation of employee stock ownership  
5 plans and for the purpose of hiring an independent contractor  
6 with expertise in the formation of employee stock ownership  
7 plans. The economic development authority is required to  
8 provide a report detailing its use of the appropriation to the  
9 general assembly and the governor by January 15, 2015.