

CHAPTER 1068
ECONOMIC DEVELOPMENT GRANTS
H.F. 2451

AN ACT relating to the provision of grants intended to facilitate the establishment of businesses within this state.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 99E.10, subsection 2, Code Supplement 1985, is amended to read as follows:

2. Funds transferred to the Iowa plan fund shall be used for economic development initiatives. As used in this subsection "economic development initiatives" means initiatives which encourage development of capital, research and development of new products, and development of jobs in this state by expanding existing business and industry; upgrade academic institutions in order to maintain and attract business and industry, creating new businesses and industries; encourage the conservation of energy in order to create new jobs and attract new business and industry; develop alternate methods for the disposal of solid or hazardous waste; develop markets for products grown or produced or manufactured in the state including the promotion of Iowa and Iowa products; and make grants and loans available to local communities for local economic development initiatives. "Economic development initiatives" includes "economic development projects" which, as used in this subsection, means a project which creates a new business or expands an existing business within the state of Iowa. "Economic development initiatives" does not include providing loans, grants, bonds, or any other incentive or assistance for the construction of a racetrack or other facility where gambling will be permitted.

Sec. 2. 1985 Iowa Acts, chapter 33, section 301, subsection 1, unnumbered paragraph 1, is amended to read as follows:

This division shall be construed broadly in order to facilitate achievement of its purposes. The general assembly finds and declares that a continuing need for programs to alleviate and prevent adverse economic conditions exists in this state, and that it is accordingly necessary to create and expand businesses, including agricultural businesses, to strengthen and revitalize the state's economy. In order to provide the means and incentives for encouragement, development, and assistance of industrial, commercial, and agricultural enterprises, specific accounts are created within the Iowa fund. The treasurer of state shall, for the fiscal year beginning July 1, 1985 and ending June 30, 1986, make allotments of the moneys within the Iowa plan fund for economic development created in section 99E.10 to separate accounts within that fund as follows:

Sec. 3. 1985 Iowa Acts, chapter 33, section 302, subsection 2, paragraph c, is amended to read as follows:

c. Grants and loans Loans to aid in economic development.

Sec. 4. 1985 Iowa Acts, chapter 33, section 302, subsection 2, is amended by adding the following new lettered paragraph:

NEW LETTERED PARAGRAPH. f. Grants to economic development projects, as defined in section 99E.10, subsection 2, if at least fifty percent of the total cost of the project is paid from sources other than the Iowa plan fund. If a project involves purchase or improvement of real property, a grant may be made only if the property is located in the state of Iowa.

Approved April 14, 1986