

FEB 15 2006
ECONOMIC GROWTH

HOUSE FILE 2382
BY FORD

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act creating a help inner city vitality and economic growth
2 fund and making appropriations.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2382

1 Section 1. NEW SECTION. 8.57C HELP INNER CITY VITALITY
2 AND ECONOMIC GROWTH FUND.

3 1. A help inner city vitality and economic growth 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 help inner city vitality and
15 economic growth 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 cities meeting the distress criteria
21 provided in section 15E.194, subsection 2.

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

31 5. Notwithstanding section 8.57, subsection 6, paragraph
32 "c", there is appropriated from the rebuild Iowa
33 infrastructure fund to the help inner city vitality and
34 economic growth fund five million dollars each fiscal year for
35 the fiscal period beginning July 1, 2006, and ending June 30,

1 2015. Moneys deposited in the fund shall be used for the
2 purposes set out in subsections 3 and 4. Moneys in the fund
3 that remain unexpended and unobligated at the end of a fiscal
4 year shall remain in the fund for the succeeding fiscal year
5 to be used for purposes of the fund.

6 EXPLANATION

7 This bill creates a help inner city vitality and economic
8 growth fund and makes appropriations.

9 The bill creates a help inner city vitality and economic
10 growth fund under the authority of the department of economic
11 development. The bill provides that moneys in the fund shall
12 be used to provide financial assistance for physical
13 infrastructure purposes in the form of grants, loans,
14 forgivable loans, loan guarantees, and other forms of
15 assistance to cities meeting the distress criteria for cities
16 under the enterprise zone program. The bill provides that
17 financial assistance shall be used for physical infrastructure
18 purposes, including but not limited to horizontal
19 infrastructure, water and sewer infrastructure, and
20 telecommunications infrastructure.

21 The bill appropriates from the rebuild Iowa infrastructure
22 fund to the help inner city vitality and economic growth fund
23 \$5 million each fiscal year for the fiscal period beginning
24 July 1, 2006, and ending June 30, 2015.

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