

MAR 2 2006
APPROPRIATIONS

HOUSE FILE 2614
BY COMMITTEE ON ECONOMIC GROWTH

(SUCCESSOR TO HSB 531)

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

A BILL FOR

1 An Act relating to a rural economic development program and fund
2 and making appropriations.

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

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HF-2614

1 Section 1. NEW SECTION. 15E.361 RURAL ECONOMIC
2 DEVELOPMENT PROGRAM -- FUND.

3 1. The department shall establish and administer a rural
4 economic development program to annually distribute moneys on
5 a per capita basis from the rural economic development fund to
6 local economic development groups, as defined by the
7 department, located in counties with a population of less than
8 twenty-five thousand. Beginning July 1, 2007, the department
9 shall make such distributions to eligible local economic
10 development groups by July 31 of each fiscal year. A local
11 economic development group shall apply to the department to
12 become an eligible local economic development group.

13 2. A local economic development group receiving moneys
14 under the program shall use the moneys for purposes of
15 providing financial assistance in the form of grants, loans,
16 loan guarantees, or any combination of such assistance for any
17 of the following purposes:

18 a. To create, assess, or assist a project to enhance
19 economic and community development in a rural area.

20 b. To assist in the development and organization of a
21 cooperative.

22 c. To provide funding for technical assistance to an
23 organization.

24 d. To address workforce development challenges.

25 3. An entity may apply for financial assistance from a
26 local economic development group receiving moneys under the
27 program if the entity meets the following criteria:

28 a. The project for which financial assistance is sought is
29 located in this state.

30 b. In applying for financial assistance, the applicant
31 submits a business plan that demonstrates a managerial and
32 technical expertise related to the project for which financial
33 assistance is sought.

34 4. In making determinations of providing financial
35 assistance, a local economic development group shall consider

1 all of the following factors:

2 a. The feasibility of the project or proposed project to
3 remain a viable enterprise.

4 b. The extent to which the project or proposed project is
5 located in a rural region of the state.

6 c. The proportion of local moneys to be contributed to the
7 project or proposed project.

8 d. The level of need of the region where the project or
9 proposed project is located.

10 5. By June 30 of each fiscal year, a local economic
11 development region receiving moneys under the rural economic
12 development program shall file a report with the department
13 identifying all recipients of moneys under the program and the
14 projects for which the moneys were awarded.

15 6. a. A rural economic development fund is created in the
16 state treasury under the control of the department and
17 consisting of any moneys appropriated by the general assembly
18 and any other moneys available to and obtained or accepted by
19 the department for placement in the fund. Payments of
20 interest, repayments of moneys loaned pursuant to this
21 section, and recaptures of loans shall be deposited in the
22 fund. Moneys in the fund are not subject to section 8.33.
23 Notwithstanding section 12C.7, interest or earnings on moneys
24 in the fund shall be credited to the fund.

25 b. Beginning July 1, 2007, and each July 1 thereafter,
26 there is appropriated from the general fund to the department
27 an amount equal to the amount determined pursuant to paragraph
28 "c" for deposit in the rural economic development fund.

29 c. The amount appropriated pursuant to paragraph "b" shall
30 be equal to the amount of revenue generated by monitor vending
31 machines authorized by the Iowa lottery authority and
32 deposited in the general fund during the previous fiscal year
33 less the amount of revenue generated by monitor vending
34 machines authorized by the Iowa lottery authority and
35 deposited in the general fund during the fiscal year beginning

1 July 1, 2005, and ending June 30, 2006. For purposes of this
2 section, "monitor vending machine" means a vending machine or
3 other similar electronic device that includes a video monitor
4 and audio capabilities that dispenses or prints and dispenses
5 lottery tickets to a purchaser that have been determined to be
6 winning or losing tickets by a predetermined pool drawing
7 machine prior to the dispensing of the tickets.

8 EXPLANATION

9 This bill relates to a rural economic development program
10 and fund and makes appropriations.

11 The bill requires the department of economic development to
12 establish and administer a rural economic development program
13 to annually distribute moneys on a per capita basis from the
14 rural economic development fund to local economic development
15 groups, as defined by the department, located in counties with
16 a population of less than 25,000. Beginning July 1, 2007, the
17 department shall make such distributions to eligible local
18 economic development groups by July 31 of each fiscal year.
19 The bill requires a local economic development group to apply
20 to the department to become an eligible local economic
21 development group.

22 The bill requires local economic development groups
23 receiving moneys under the program to use the moneys to
24 create, assess, or assist a project to enhance economic and
25 community development in a rural area; to assist in the
26 development and organization of a cooperative; to provide
27 funding for technical assistance to an organization; or to
28 address workforce development challenges.

29 The bill allows an entity to apply for financial assistance
30 from a local economic development group if the project for
31 which financial assistance is sought is located in this state
32 and, in applying for financial assistance, the applicant
33 submits a business plan that demonstrates a managerial and
34 technical expertise related to the project for which financial
35 assistance is sought.

1 The bill provides certain factors for a local economic
2 development group to consider in making determinations of
3 providing financial assistance.

4 The bill includes reporting requirements for local economic
5 development groups receiving moneys under the rural economic
6 development program.

7 The bill creates a rural economic development fund in the
8 state treasury under the control of the department. Beginning
9 July 1, 2007, and each July 1 thereafter, the bill
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Olson, Steve, Chair
Schickel
Lukan
Thomas
Swaim

HSB 531
ECONOMIC GROWTH

HOUSE FILE

2014

BY (PROPOSED COMMITTEE ON
ECONOMIC GROWTH BILL BY
CHAIRPERSON HOFFMAN)

Passed House, Date _____ Passed Senate, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

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