

FILED JAN 27 2005

SENATE FILE

77

ECONOMIC GROWTH

BY WARNSTADT and WIECK

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

**A BILL FOR**

1 An Act allowing cities and counties to create enterprise zones  
2 near modes of transportation.

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

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SF 77  
ECONOMIC GROWTH

1 Section 1. Section 15E.192, Code 2005, is amended by  
2 adding the following new subsection:

3 NEW SUBSECTION. 2A. A city or county may create an  
4 economic development enterprise zone as authorized in this  
5 division, subject to certification by the department of  
6 economic development, by designating up to four square miles  
7 of the city or county for that purpose. In order for an  
8 enterprise zone to be certified pursuant to this subsection,  
9 an enterprise zone shall meet the distress criteria provided  
10 in section 15E.194, subsection 2A. Section 15E.194,  
11 subsections 1 and 2, shall not apply to an enterprise zone  
12 certified pursuant to this subsection.

13 Sec. 2. Section 15E.194, subsection 2, unnumbered  
14 paragraph 1, Code 2005, is amended to read as follows:

15 An enterprise zone may be designated by a city with a  
16 population of twenty-four thousand or more which meets at  
17 least two of the following criteria:

18 Sec. 3. Section 15E.194, Code 2005, is amended by adding  
19 the following new subsection:

20 NEW SUBSECTION. 2A. A city or county may designate an  
21 area of up to four square miles to be an enterprise zone if  
22 the area includes or is located within one mile of at least  
23 three of the following:

- 24 a. A commercial service airport.
- 25 b. A barge terminal or a navigable waterway.
- 26 c. Entry to a rail line.
- 27 d. Entry to an interstate highway.
- 28 e. Entry to a commercial and industrial highway network as  
29 identified pursuant to section 313.2A.

30 Sec. 4. Section 15E.194, subsection 3, Code 2005, is  
31 amended to read as follows:

32 3. The department of economic development shall certify  
33 eligible enterprise zones that meet the requirements of  
34 subsection 1 upon request by the county, ~~or~~ subsection 2 upon  
35 request by the city, or subsection 2A upon request by the

1 county or city, as applicable.

2 Sec. 5. Section 15E.195, subsections 1 and 2, Code 2005,  
3 are amended to read as follows:

4 1. A county which designates an enterprise zone pursuant  
5 to section 15E.194, subsection 1 or 2A, and in which an  
6 eligible enterprise zone is certified shall establish an  
7 enterprise zone commission to review applications from  
8 qualified businesses located within or requesting to locate  
9 within an enterprise zone designated pursuant to section  
10 15E.194, subsection 1 or 2A, to receive incentives or  
11 assistance as provided in section 15E.196. The enterprise  
12 zone commission shall also review applications from qualified  
13 housing businesses requesting to receive incentives or  
14 assistance as provided in section 15E.193B. The commission  
15 shall consist of nine members. Five of these members shall  
16 consist of one representative of the board of supervisors, one  
17 member with economic development expertise chosen by the  
18 department of economic development, one representative of the  
19 county zoning board, one member of the local community college  
20 board of directors, and one representative of the local  
21 workforce development center. These five members shall select  
22 the remaining four members. If the enterprise zone consists  
23 of an area meeting the requirements for eligibility for an  
24 urban or rural enterprise community under Title XIII of the  
25 federal Omnibus Budget Reconciliation Act of 1993, one of the  
26 remaining four members shall be a representative of that  
27 community. A county shall have only one enterprise zone  
28 commission to review applications for incentives and  
29 assistance for businesses located within or requesting to  
30 locate within a certified enterprise zone designated pursuant  
31 to section 15E.194, subsection 1 or 2A.

32 2. A city ~~with a population of twenty-four thousand or~~  
33 ~~more~~ which designates an enterprise zone pursuant to section  
34 15E.194, subsection 2 or 2A, and in which an eligible  
35 enterprise zone is certified shall establish an enterprise

1 zone commission to review applications from qualified  
2 businesses located within or requesting to locate within an  
3 enterprise zone to receive incentives or assistance as  
4 provided in section 15E.196. The enterprise zone commission  
5 shall review applications from qualified housing businesses  
6 requesting to receive incentives or assistance as provided in  
7 section 15E.193B. The commission shall consist of nine  
8 members. Six of these members shall consist of one  
9 representative of an international labor organization, one  
10 member with economic development expertise chosen by the  
11 department of economic development, one representative of the  
12 city council, one member of the local community college board  
13 of directors, one member of the city planning and zoning  
14 commission, and one representative of the local workforce  
15 development center. These six members shall select the  
16 remaining three members. If the enterprise zone consists of  
17 an area meeting the requirements for eligibility for an urban  
18 enterprise community under Title XIII of the federal Omnibus  
19 Budget Reconciliation Act of 1993, one of the remaining three  
20 members shall be a representative of that community. If a  
21 city contiguous to the city designating the enterprise zone is  
22 included in an enterprise zone, a representative of the  
23 contiguous city, chosen by the city council, shall be a member  
24 of the commission. A city in which an eligible enterprise  
25 zone is certified shall have only one enterprise zone  
26 commission. If a city has established an enterprise zone  
27 commission prior to July 1, 1998, the city may petition to the  
28 department of economic development to change the structure of  
29 the existing commission.

30

EXPLANATION

31 This bill allows the creation of a new type of enterprise  
32 zone within the economic development enterprise zone program  
33 administered by the department of economic development.

34 The bill provides that any city or county in the state may  
35 create an enterprise zone, subject to certification by the

1 department, by designating up to four square miles of the city  
2 or county for that purpose. In order to be certified, the  
3 area must include or be located within one mile of three of  
4 the following: a commercial service airport, a barge terminal  
5 or a navigable waterway, entry to a rail line, entry to an  
6 interstate highway, or entry to a commercial and industrial  
7 highway network.

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