

CHESTER J. CULVER GOVERNOR

OFFICE OF THE GOVERNOR

PATTY JUDGE LT. GOVERNOR

May 7, 2008

The Honorable Michael Mauro Secretary of State State Capitol Building L O C A L

Dear Mr. Secretary:

I hereby transmit:

House File 2558, an Act relating to economic development by providing for the confidentiality of certain details contained in contracts and applications for financial assistance.

The above House File is hereby approved this date.

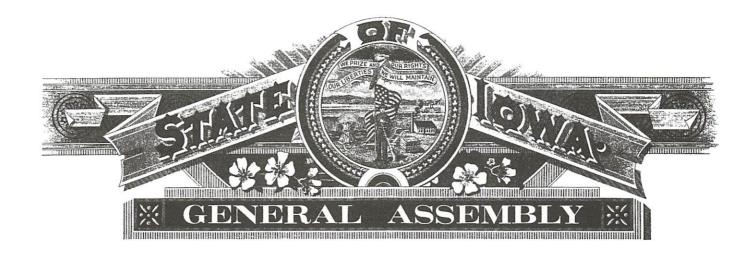
Sincerely,

Chester J. Culver Governor

CJC:bdj

cc: Secretary of the Senate Chief Clerk of the House





HOUSE FILE 2558

AN ACT

RELATING TO ECONOMIC DEVELOPMENT BY PROVIDING FOR THE CONFI-DENTIALITY OF CERTAIN DETAILS CONTAINED IN CONTRACTS AND APPLICATIONS FOR FINANCIAL ASSISTANCE.

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

Section 1. <u>NEW SECTION</u>. 15.118 CONFIDENTIALITY OF INFORMATION IN FINANCIAL ASSISTANCE APPLICATIONS.

1. The board and the department shall give due regard to the confidentiality of certain information disclosed by applicants for financial assistance during the application process, the contract administration process, and the period following closeout of a contract in the manner described in this section.

2. All information contained in an application for financial assistance submitted to the department shall remain confidential while the department is reviewing the application, processing requests for confidentiality, negotiating with the applicant, and preparing the application for consideration by the director or the board. The department may release certain information in an application for financial assistance to a third party for technical review. If the department releases such information to a third party, the department shall ensure that the third party protects such information from public disclosure. After the department has considered a request for confidentiality, any information not deemed confidential shall be made publicly available. Any information deemed confidential by the department shall also be kept confidential during and following administration of a contract executed pursuant to a successful application.

House File 2558, p. 2

The department shall consider the written request of an 3. applicant or award recipient to keep confidential certain details of an application, a contract, or the materials submitted in support of an application or a contract. If the request includes a sufficient explanation as to why the public disclosure of such details would give an unfair advantage to competitors, the department shall keep certain details confidential. If the department elects to keep certain details confidential, the department shall release only the nonconfidential details in response to a request for records pursuant to chapter 22. If confidential details are withheld from a request for records pursuant to chapter 22, the department shall release an explanation of why the information was deemed confidential and a summary of the nature of the information withheld and the reasons for withholding it. In considering requests for confidential treatment, the department shall narrowly construe the provisions of this section in order to appropriately balance an applicant's need for confidentiality against the public's right to information about the department's activities.

4. If a request for confidentiality is denied by the department, an applicant may withdraw the application and any supporting materials, and the department shall not retain any copies of the application or supporting materials. Upon notice that an application has been withdrawn, the department shall not release a copy in response to a request for records pursuant to chapter 22.

5. The department shall adopt by rule a process for considering requests to keep information confidential pursuant to this section. The department may adopt emergency rules pursuant to chapter 17A to implement this section. The rules shall include criteria for guiding the department's decisions about the confidential treatment of applicant information. The criteria may include but are not limited to the following:

a. The nature and extent of competition in the applicant's industry sector.

b. The likelihood of adverse financial impact to the applicant if the information were to be released.

c. The risk that the applicant will locate in another state if the request is denied.

House File 2558, p. 3

d. Any other factor the department reasonably considers relevant.

PATRICK J. MURPHY Speaker of the House

JOAN P. KIBBIE President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2558, Eighty-second General Assembly.

Mark Brandsgard

Chief Clerk of the House

Approved (May 1, 2008

CHESTER J. CULVER Governor