

ECONOMIC GROWTH AND EXPANSION ACTIVITIES

15G.101 through 15G.107 Reserved.

2003 amendments made in 2003 Acts, 1st Ex, ch 1, and establishing sections 15G.101 through 15G.107 stricken pursuant to *Rants v. Vilsack*, 684 N.W.2d 193

Validation of establishment of grow Iowa values board and board membership for fiscal year beginning July 1, 2004, and ending June 30, 2005; board to serve only in advisory capacity to department of economic development; 2004 Acts, 1st Ex, ch 1001, §43, 44

Validation of contracts or approved projects or activities originally funded or intended to be funded through grow Iowa values fund, if entered into or approved after June 30, 2003, but before June 16, 2004; appropriation of funds and affirmation of claims payments; 2004 Acts, 1st Ex, ch 1001, §1, 2; 2004 Acts, 1st Ex, ch 1002, §13, 5

15G.108 Grow Iowa values fund.

1. A grow Iowa values fund is created in the state treasury under the control of the department of economic development consisting of moneys appropriated to the department. Moneys in the fund are not subject to section 8.33. Notwithstanding section 12C.7, interest or earnings on moneys in the fund shall be credited to the fund. The fund shall be administered by the department, which shall make expenditures from the fund consistent with this chapter and pertinent Acts of the general assembly. Any financial assistance provided using moneys from the fund may be provided over a period of time of more than one year. Payments of interest, repayments of moneys loaned pursuant to this chapter, and recaptures of grants or loans shall be deposited in the fund.

2. In awarding financial assistance in a fiscal year from moneys appropriated to the grow Iowa values fund, the department shall commit, obligate, or promise not more than fifty percent of the moneys appropriated from the grow Iowa values fund pursuant to section 15G.111, subsection 1, for use during the first fiscal year following the fiscal year in which the financial assistance is awarded and not more than twenty-five percent of the moneys appropriated from the grow Iowa values fund pursuant to section 15G.111, subsection 1, for use during the second fiscal year following the fiscal year in which the financial assistance is awarded.

2005 Acts, ch 150, §1

15G.109 Marketing strategies.

The department of economic development shall accept proposals for marketing strategies for purposes of selecting a strategy for the department to administer. The marketing strategies shall be designed to market Iowa as a lifestyle, increase the population of the state, increase the wealth of Iowans, and expand and stimulate the state economy. The department shall select and approve a proposal that meets the requirements of this section.

The department shall implement and administer the approved marketing strategy.

2003 Acts, 1st Ex, ch 1, §85, 133

[2003 enactment of this section rescinded pursuant to *Rants v. Vilsack*, 684 N.W.2d 193]

2004 Acts, 1st Ex, ch 1001, §3336

Validation of establishment of board and board membership for fiscal year beginning July 1, 2004, and

ending June 30, 2005; board to serve only in advisory capacity to department of economic development; 2004 Acts, 1st Ex, ch 1001, § 43, 44

15G.110 Appropriation.

For the fiscal period beginning July 1, 2005, and ending June 30, 2015, there is appropriated to the department of economic development each fiscal year fifty million dollars from the general fund of the state for deposit in the grow Iowa values fund.

2005 Acts, ch 170, §18

15G.111 Appropriations.

1. *a.* For the fiscal period beginning July 1, 2005, and ending June 30, 2015, there is appropriated each fiscal year from the grow Iowa values fund created in section 15G.108, to the department of economic development thirty-five million dollars for programs administered by the department of economic development.

b. Each year that moneys are appropriated under this subsection, the department shall allocate a percentage of the moneys for each of the following types of activities:

(1) Business start-ups.

(2) Business expansion.

(3) Business modernization.

(4) Business attraction.

(5) Business retention.

(6) Marketing.

(7) Research and development.

c. The department shall require an applicant for moneys appropriated under this subsection to include in the application a statement regarding the intended return on investment. A recipient of moneys appropriated under this subsection shall annually submit a statement to the department regarding the progress achieved on the intended return on investment stated in the application. The department, in cooperation with the department of revenue, shall develop a method of identifying and tracking each new job created and the leveraging of moneys through financial assistance from moneys appropriated under this subsection. The department of economic development shall identify research and development activities funded through financial assistance from not more than ten percent of the moneys appropriated under this subsection, and, instead of determining return on investment and job creation for the identified funding, determine the potential impact on the state's economy.

d. The department may use moneys appropriated under this subsection to procure technical assistance from either the public or private sector, for information technology purposes, for a statewide labor shed study, and for rail, air, or river port transportation-related purposes. The use of moneys appropriated for rail, air, or river port transportation-related purposes must be directly related to an economic development project and the moneys must be used to leverage other financial assistance moneys.

e. Of the moneys appropriated under this subsection, the department may use up to one and one-half percent for administrative purposes.

f. The Iowa economic development board shall approve or deny applications for financial assistance provided with moneys appropriated under this subsection. In providing such financial assistance, the board shall, whenever possible, coordinate the assistance with other programs administered by the department of economic development, including the community economic betterment program established in section 15.317 and the value-added agricultural products and processes financial assistance program established in section 15E.111.

g. It is the policy of this state to expand and stimulate the state economy by advancing, promoting, and expanding biotechnology industries in this state. To implement this policy, the Iowa economic development board shall consider providing assistance to projects that increase value-added income to individuals or organizations involved in agricultural business or biotechnology projects. Such a project need not create jobs specific to the project site; however, such a project must foster the knowledge and creativity necessary to promote the state's agricultural economy and to increase employment in urban and rural areas as a result.

2. For the fiscal period beginning July 1, 2005, and ending June 30, 2015, there is appropriated each fiscal year from the grow Iowa values fund created in section 15G.108 to the department of economic development five million dollars for financial assistance to institutions of higher learning under the control of the state board of regents for capacity building infrastructure in areas related to technology commercialization, for marketing and business development efforts in areas related to technology commercialization, entrepreneurship, and business growth, and for infrastructure projects and programs needed to assist in the implementation of activities under chapter 262B, if so amended. In allocating moneys to institutions under the control of the state board of regents, the board shall require the institutions to provide a one-to-one match of additional moneys for the activities funded with moneys appropriated under this subsection. The state board of regents shall annually prepare a report for submission to the governor, the general assembly, and the legislative services agency regarding the activities, projects, and programs funded with moneys appropriated under this subsection.

The state board of regents may allocate any moneys appropriated under this subsection and received from the department for financial assistance to a single biosciences development organization determined by the department to possess expertise in promoting the area of bioscience entrepreneurship. The organization must be composed of representatives of both the public and the private sector and shall be composed of subunits or subcommittees in the areas of existing identified biosciences platforms, education and workforce development, commercialization, communication, policy and governance, and finance. Such financial assistance shall be used for purposes of activities related to biosciences and bioeconomy development under chapter 262B, if so amended, and to accredited private universities in this state.

The department may expend additional moneys that may become available for purposes of financial assistance to a single bioscience development organization determined by the department to possess expertise in the promotion and commercialization of biotechnology entrepreneurship as described in and for the purposes set forth in unnumbered paragraph 2.

3. For the fiscal period beginning July 1, 2005, and ending June 30, 2015, there is appropriated each fiscal year from the grow Iowa values fund created in section 15G.108 to the department of economic development one million dollars for purposes of providing financial assistance for projects in targeted state parks, state banner parks, and destination parks. The department of natural resources shall submit a plan to the department of economic development for the expenditure of moneys appropriated under this subsection. The plan shall focus on improving state parks, state banner parks, and destination parks for economic development purposes. Based on the report submitted, the department of economic development shall provide financial assistance to the department of natural resources for support of state parks, state banner parks, and destination parks. For purposes of this subsection, "*state banner park*" means a park with multiple uses and which focuses on the economic development benefits of a community or area of the state.

4. For the fiscal period beginning July 1, 2005, and ending June 30, 2015, there is appropriated each fiscal

year from the grow Iowa values fund created in section 15G.108 to the office of the treasurer of state one million dollars for deposit in the Iowa cultural trust fund created in section 303A.4.

5. For the fiscal period beginning July 1, 2005, and ending June 30, 2015, there is appropriated each fiscal year from the grow Iowa values fund created in section 15G.108 to the department of economic development seven million dollars for deposit into the workforce training and economic development funds of the community colleges created pursuant to section 260C.18A.

6. *a.* For the fiscal period beginning July 1, 2005, and ending June 30, 2015, there is appropriated each fiscal year from the grow Iowa values fund created in section 15G.108 to the department of economic development one million dollars for providing economic development region financial assistance under section 15E.232, subsections 3, 4, 5, and 6,* and under section 15E.233.

b. Of the moneys appropriated in this subsection, the department shall transfer three hundred fifty thousand dollars each fiscal year for the fiscal period beginning July 1, 2005, and ending June 30, 2015, to Iowa state university of science and technology, for purposes of providing financial assistance to establish small business development centers in areas of the state previously served by a small business development center and to maintain existing small business development centers. Financial assistance for a small business development center shall not be awarded unless the city or county where the center is located or scheduled to be located demonstrates the ability to obtain local matching moneys on a dollar-for-dollar basis. An award of financial assistance to a small business development center under this paragraph shall not exceed twenty thousand dollars.

c. Of the moneys appropriated under this subsection, the department may use up to fifty thousand dollars each fiscal year during the fiscal period beginning July 1, 2005, and ending June 30, 2015, for purposes of providing training, materials, and assistance to Iowa business resource centers.

7. Notwithstanding section 8.33, moneys that remain unexpended at the end of a fiscal year shall not revert to any fund but shall remain available for expenditure for the designated purposes during the succeeding fiscal year.

2005 Acts, ch 150, §2; 2005 Acts, ch 170, §19

*Section 15E.232, subsections 3, 5, 6, 7, and 8 probably intended; corrective legislation is pending

15G.112 Financial assistance.

1. In order to receive financial assistance from the department from moneys appropriated from the grow Iowa values fund, the average annual wage, including benefits, of new jobs created must be equal to or greater than one hundred thirty percent of the average county wage. For purposes of this section, "*average county wage*" and "*benefits*" mean the same as defined in section 15I.1.

2. An applicant may apply to the Iowa economic development board for a waiver of the wage requirements in subsection 1.

3. In awarding moneys appropriated from the grow Iowa values fund, the department shall give special consideration to projects that include significant physical infrastructure components designed to increase property tax revenues to local governments.

2005 Acts, ch 150, §3