

**261—165.4 (15G,83GA,SF344) Allocation of annual appropriation for grow Iowa values fund moneys—\$50M.** Pursuant to Iowa Code section 15G.111 as amended by 2009 Iowa Acts, Senate File 344, section 2, \$50 million is appropriated from the grow Iowa values fund to the department each fiscal year for the fiscal period beginning July 1, 2009, and ending June 30, 2015. If the full \$50 million is appropriated in a fiscal year, the fund moneys are allocated as described below. If less than \$50 million is appropriated in a fiscal year, then the amount available will be reduced on a pro-rata basis. The fund moneys are allocated as follows:

1. \$32M—For:
  - Departmental administrative costs,
  - Awards of financial assistance from the grow Iowa values financial assistance program established in 2009 Iowa Acts, Senate File 344, section 3,
    - Marketing,
    - A statewide labor shed study,
    - Responding to opportunities and threats,
    - Technical assistance and information technology,
    - Guarantees in existence as of July 1, 2009, under the loan and credit guarantee program,
    - Renewable fuels infrastructure program for FY 2010 (\$2M), and
    - \$1M for FY 2010 for research and development related to renewable energy pursuant to 2009 Iowa Acts, House File 817.
2. \$3M—For deposit in the innovation and commercialization fund created by 2009 Iowa Acts, Senate File 142.
3. \$5M—To the state board of regents for institutions of higher learning under the control of the state board of regents, for specific activities.
4. \$1M—For projects in targeted state parks, state banner parks and destination parks.
5. \$1M—For the cultural trust fund administered by the department of cultural affairs.
6. \$7M—For workforce training and economic development funds of the community colleges.
7. \$1M—For economic development region initiatives.

**165.4(1) Board allocation of appropriation to fund for departmental purposes—\$32M.** Of the annual appropriation to the fund, the board may allocate \$32 million (or a pro-rata amount if the annual appropriation to the fund is less than \$50 million) for the following activities:

- a. Departmental administrative costs. The board may allocate a portion of the funds to cover administrative costs. No more than \$600,000 may be allocated for administrative costs.
- b. Awards of financial assistance from the grow Iowa values financial assistance program established in 2009 Iowa Acts, Senate File 344, section 3. The grow Iowa values financial assistance fund consists of six components. The rules for the six components may be found in 261—Chapter 74.
- c. Marketing. The board may allocate a portion of the amount available for departmental purposes for marketing proposals pursuant to Iowa Code section 15G.109.
- d. Statewide labor shed study. The board may allocate a portion of the funds available to authorize a statewide labor shed study in coordination with the department of workforce development.
- e. Responding to opportunities and threats. A portion of the funds may be allocated by the board to respond to opportunities and threats. The rules for this activity are found in 261—Chapter 75.
- f. Technical assistance and information technology. The board may allocate a portion of the funds available for procuring technical assistance from either the public or private sector and for information technology purposes.
  - g. Loan guarantees in existence as of July 1, 2009, under the loan and credit guarantee program.
  - h. Renewable fuels infrastructure fund established in Iowa Code section 15G.205. For fiscal year 2010, \$2 million shall be allocated to the renewable fuels infrastructure fund established in Iowa Code section 15G.205.
  - i. Renewable energy research and development. For fiscal year 2010, \$1 million for research and development related to renewable energy pursuant to 2009 Iowa Acts, House File 817.

**165.4(2)** *Funding to the state board of regents for institutions of higher learning under the control of the state board of regents for specific activities—\$5M.*

*a. Use of funds.* Five million dollars (or a pro-rata amount if the annual appropriation to the fund is less than \$50 million) is available for financial assistance to institutions of higher learning under the control of the state board of regents (Iowa State University (ISU), University of Iowa (U of I), University of Northern Iowa (UNI)). These funds must be used 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 Iowa Code chapter 262B.

(1) In allocating moneys to institutions under the control of the state board of regents, the state board of regents shall require the institutions to provide a one-to-one match of additional moneys for the activities funded with moneys provided under this subrule.

(2) The state board of regents may allocate moneys available under this subrule 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 Iowa Code chapter 262B and to accredited private universities in this state.

*b. Annual state board of regents report.* Each fiscal year, the state board of regents shall report how the funds were used and allocated among ISU, U of I, UNI, a bioscience organization, and private universities. The report shall be submitted to the department by July 31. In order to determine the impact of the funding applied to accelerate research leading to commercial products/processes and to measure activities that demonstrate successes, the annual report shall include, at a minimum, the following information:

(1) Research and development commercialization agreements executed with Iowa companies (the number, the dollar amount).

(2) Corporate sponsored funding for R&D by Iowa companies (the number, the dollar amount).

(3) University centers and institutes: core laboratory equipment utilized and services provided (hours, samples, dollar amount).

(4) License and option agreements executed with Iowa companies (the number).

(5) New Iowa companies formed and jobs created from the result of licensed technologies (the number).

(6) Revenue to Iowa companies (based on sales) as a result of licensed technologies (the dollar amount).

*c. Board action.* The board shall review the annual report from the state board of regents and accept, or request additional information regarding, the use of the \$5 million allocation from the grow Iowa values fund to the state board of regents. The board will include in its annual grow Iowa values fund report that is required to be submitted by January 31 each year pursuant to Iowa Code section 15.104(9) an evaluation of the annual report received from the state board of regents.

**165.4(3)** *Funding for projects in targeted state parks, state banner parks and destination parks—\$1M.*

*a. Use of funds.* One million dollars (or a pro-rata amount if the annual appropriation to the fund is less than \$50 million) is available for purposes of providing financial assistance for projects in targeted state parks, state banner parks, and destination parks. For purposes of this subrule, “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.

*b. Annual DNR plan.* The department of natural resources shall submit a plan to the department for the expenditure of moneys allocated under this subrule. The plan shall focus on improving state parks, state banner parks, and destination parks for economic development purposes.

*c. Board action.* The board shall approve, deny, modify, or defer proposed expenditures under the proposed plan for use of the \$1 million allocation from the grow Iowa values fund for state parks. Upon approval of the plan, a contract shall be executed between the department and the department of natural resources to provide financial assistance to the department of natural resources for support of state parks, state banner parks, and destination parks.

**165.4(4)** *Funding for the cultural trust fund administered by the department of cultural affairs—\$1M.* One million dollars (or a pro-rata amount if the annual appropriation to the fund is less than \$50 million) shall be allocated by the department for deposit in the Iowa cultural trust fund created in Iowa Code section 303A.4 and administered by the department of cultural affairs. The department shall transfer the moneys allocated from the grow Iowa values fund for this purpose to the treasurer of state.

**165.4(5)** *Funding for workforce training and economic development funds of the community colleges—\$7M.* Seven million dollars (or a pro-rata amount if the annual appropriation to the fund is less than \$50 million) is allocated for deposit into the workforce training and economic development funds of the community colleges created pursuant to Iowa Code section 260C.18A. The department shall transfer the moneys allocated from the grow Iowa values fund to the workforce training and economic development fund.

**165.4(6)** *Funding for economic development region initiatives—\$1M.*

*a. Funds available.* One million dollars (or a pro-rata amount if the annual appropriation to the fund is less than \$50 million) is available for providing assistance to economic development regions. These moneys are allocated as follows:

\$350,000—To ISU, for establishment of small business development centers in certain areas of the state.

\$50,000—To the department, for assistance to Iowa business resource centers authorized in Iowa Code section 15G.111 as amended by 2009 Iowa Acts, Senate File 344, section 2.

\$600,000—To the department, for financial assistance to economic development regions, for the establishment of a regional economic development revenue-sharing pilot project.

*b. Allocation of \$600,000 for economic development region initiatives.* The board shall annually allocate the \$600,000 available under this subrule for economic development region initiatives. The \$600,000 is available for the following:

(1) Financial assistance to economic development regions. A portion of the \$600,000 may be allocated for financial assistance to economic development regions. An economic development region may apply for:

1. Financial assistance for physical infrastructure needs;
2. Financial assistance to assist an existing business threatened with closure due to the potential consolidation of an out-of-state location;
3. Financial assistance to establish and operate an entrepreneurial initiative.

(2) Regional economic development revenue-sharing pilot project. The department may establish and administer a regional economic development revenue-sharing pilot project for one or more regions. The department shall take into consideration the geographical dispersion of the pilot projects. The department shall provide technical assistance to the regions participating in a pilot project.

(3) Designation as an economic enterprise area. An economic development region may apply to the department for approval to be designated as an economic enterprise area. The department shall approve no more than ten regions as economic enterprise areas.