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Amend Senate File 2311 as follows:
   2 <u>#1.</u> By striking everything after the enacting
   3 clause and inserting the following:
                                  <DIVISION I
                   LEGISLATIVE FINDINGS == VALIDATION
          Section 1. LEGISLATIVE FINDINGS.
1
   6
          1. It is the finding of the general assembly that
   8 the recent Iowa supreme court decision of Rants and
  9 Iverson v. Vilsack, No. 60/03=1948, June 16, 2004, has 10 invalidated the proper enactment of provisions 11 contained in 2003 Iowa Acts, First Extraordinary
  12 Session, chapter 1 (House File 692). It is the intent
  13 of the general assembly to reenact and reaffirm
  14 certain provisions of House File 692 that were
  15 published in the 2003 Iowa Acts and the 2003 Iowa Code
  16 Supplement, including provisions that were
  17 subsequently amended in the 2004 regular session of
  18 the Eightieth General Assembly, and to validate
  19 contracts entered into in reliance on the enactment of
  20 provisions published in the 2003 Code Supplement.
21 2. It is the finding of the general assembly that
  22 the recent Iowa supreme court decision of Rants and
  23 Iverson v. Vilsack, No. 60/03=1948, June 16, 2004, has
  24 raised questions in regard to the proper enactment of
  25 provisions contained in 2003 Iowa Acts, First
  26 Extraordinary Session, chapter 2 (House File 683), and 27 in 2004 enactments. It is the intent of the general 28 assembly to resolve any doubt as to the validity of
  29 the provisions contained in House File 683 and 2004
  30 enactments by reenacting the provisions, and to
  31 validate contracts entered into in reliance on the
  32 enactment of provisions published in the 2003 Code
1
  33 Supplement.
                    CONTRACT OR APPROVED PROJECT OR ACTIVITY
  34
          Sec. 2.
  35 VALIDATION. Any contract or approved project or
  36 activity originally funded or intended to be funded in
  37 whole or in part with moneys from the grow Iowa values 38 fund, and entered into or approved by the department
  39 of economic development or the grow Iowa values board
  40 after June 30, 2003, and before June 16, 2004, in 41 reliance on the publication of law implementing the
  42 grow Iowa values fund in the 2003 Code Supplement and 43 2003 Iowa Acts, is valid and enforceable to the full
  44 extent of the law. The Iowa supreme court decision in 45 Rants and Iverson v. Vilsack, No. 60/03=1948, June 16,
1 46 2004, and the provisions of this Act shall not in
  47 themselves constitute grounds for recision or 48 modification of such contracts or approved projects or
  49 activities. This Act provides appropriations to fund
  50 these contracts or approved projects or activities.
1 Sec. 3. EFFECTIVE DATE. This division of this
1
   2 Act, being deemed of immediate importance, takes
2
   3 effect upon enactment.
                                  DIVISION II
2
                     GROW IOWA VALUES BOARD AND FUND
2
          Sec. 4. GROW IOWA VALUES BOARD AND FUND.
      following provisions, as published in Iowa Code
2
2
   8 Supplement 2003, pertaining to the grow Iowa values
   9 board and fund, are reaffirmed and reenacted: 1. Section 15.108, subsection 9, paragraph "g".
2
  10
  11
               Section 15G.101.
  12
          3.
              Section 15G.102.
2
  13
          4.
              Section 15G.103.
              Section 15G.104.
Section 15G.105.
          5.
  15
          6.
2
          7.
  16
              Section 15G.106.
  17
          8.
               Section 15G.107.
               Section 15G.108.
  18
          9.
2 19
          10. Section 15G.109.
          11. Section 15G.110.
12. Section 292.4, including the amendment made in
2 20
2.
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Sec. 5. Section 15G.107, Code Supplement 2003, as
2 24 reaffirmed and reenacted by this division of this Act,
  25 is amended by adding the following new subsection:
  26 <u>NEW SUBSECTION</u>. 6. Notwithstanding subsection 3, 27 paragraph "a", it is the policy of this state to
  28 expand and stimulate the state economy by advancing
  29 promoting, and expanding the biotechnology industry in
  30 this state. To implement this policy, the board shall 31 consider projects that increase income to individuals
  32 or organizations involved in value=added agribusiness
  33 or biotechnology. In making such considerations, the 34 board shall not limit job creation criteria to one
  35 specific project site.
  36
         Sec. 6. Section 15.108, subsection 9, paragraph g,
  37 Code Supplement 2003, as reaffirmed and reenacted by
  38 this division of this Act, is amended by adding the
  39 following new unnumbered paragraph:
         NEW UNNUMBERED PARAGRAPH. This paragraph "g" is
 41 repealed effective July 1, 2010.
42 Sec. 7. Section 15G.110, Code Supplement 2003, as
43 reaffirmed and reenacted by this division of this Act,
2
  44 is amended by adding the following new unnumbered
  45 paragraph:
         NEW UNNUMBERED PARAGRAPH. This chapter is repealed
  46
  47 effective July 1, 2010.
48 Sec. 8. 2004 Iowa Acts, House File 2207, section
2
  49 101, is repealed.
   Sec. 9. EFFECTIVE DATE AND RETROACTIVE
1 APPLICABILITY PROVISIONS. This division of this Act,
  50
   2 being deemed of immediate importance, takes effect 3 upon enactment, and, other than the repeal of 2004
   4 Iowa Acts, House File 2207, section 101, is 5 retroactively applicable to July 1, 2003.
3
                               DIVISION III
         GROW IOWA VALUES FUND APPROPRIATIONS Sec. 10. 2003 IOWA ACTS, HOUSE FILE 683 ==
3
  9 APPROPRIATIONS. 2003 Iowa Acts, First Extraordinary 10 Session, chapter 2, sections 65 through 75, are
  11 repealed. However, to the extent an appropriation
  12 made in this division of this Act is made for the same
  13 purpose as an appropriation made in 2003 Iowa Acts,
  14 First Extraordinary Session, chapter 2, sections 65
  15 through 75, action taken pursuant to 2003 Iowa Acts, 16 First Extraordinary Session, chapter 2, sections 65
  17 through 75, shall be considered valid and enforceable.
  18 Sec. 11. <u>NEW SECTION</u>. 15G.111 ECONOMIC
19 DEVELOPMENT APPROPRIATIONS FROM GROW IOWA VALUES FUND.
  18
        1. MARKETING DEVELOPMENT. There is appropriated
  2.0
  21 from the fund to the department for the designated
  22 fiscal years, the following amounts, or so much 23 thereof as is necessary, to be used for the purpose
  24 designated:
  2.5
         For implementing and administering the marketing
  26 strategy approved under this chapter by the economic
  27 development marketing board:
  28
         a. FY 2003=2004.....$
                                                                        2,244,826
             29
         b.
  30
         c.
  31
         2. DEPARTMENTAL PROGRAMS.
  32
              There is appropriated from the fund to the
         а.
  33 department for the designated fiscal years, the
  34 following amounts, or so much thereof as is necessary,
  35 to be used for the purpose designated:
         For programs administered by the department:
  37
              FY 2003=2004.....$ 38,006,883
         (1)
3
  38
         (2) FY 2004=2005..... $ 41,000,000
               FY 2005=2006.....$ 44,000,000
FY 2006=2007.....$ 48,000,000
  39
         (3)
  40
         (4)
             The board shall allocate a percentage of each
  41
  42 appropriation made in this subsection for each of the
  43 following types of activities:
  44
         (1) Business start=ups.
  45
         (2) Business expansion.
  46
         (3) Business modernization.(4) Business attraction.
  47
  48
         (5) Business retention.
  49
         (6)
              Marketing.
  50
              An applicant for moneys appropriated in this
  1 subsection shall be required by the department to
   2 include in the application a statement regarding the
```

2 22 2004 Iowa Acts, House File 2208, section 59.

```
3 intended return on investment. A recipient of moneys
   4 appropriated in this subsection shall annually submit
   5 a statement to the department regarding the progress
   6 achieved on the intended return on investment stated
   7 in the application. The department, in cooperation
   8 with the department of revenue, shall develop a method
   9 of identifying and tracking each new job created
  10 through financial assistance from moneys appropriated
4 11 in this subsection.
4 12
        d. The department may use moneys appropriated in
  13 this subsection to procure technical assistance from
4 14 either the public or private sector, for information
 15 technology purposes, and for rail, air, or river port
16 transportation=related purposes. The use of moneys
  17 appropriated for rail, air, or river port
4 18 transportation=related purposes must be directly
  19 related to an economic development project and the 20 moneys must be used to leverage other financial
4 21 assistance moneys.
       e. Of the moneys appropriated in this subsection,
  22
4 23 the department may use one=half of one percent for 4 24 administrative purposes.
4 25
        f. The applications for financial assistance from
  26 moneys appropriated in this subsection are subject to
  27 action of the board approving or denying the
4 28 applications.
        3. LOAN AND CREDIT GUARANTEE FUND. There is
  29
  30 appropriated from the fund to the department for the
  31 designated fiscal years, the following amounts, or so
  32 much thereof as is necessary, to be used for the
  33 purpose designated:
       For deposit in the loan and credit guarantee fund
4 35 created in section 15E.227:
        36
                                                                  2,489,800
  37
                                                                  5,000,000
4 39 d. FY 2006=2007......$
4 40 4. ENDOW IOWA GRANTS. There is appropriated from
4 41 the fund to the department for the designated fiscal
                                                                  7,500,000
4 42 years, the following amounts, or so much thereof as is
4 43 necessary, to be used for the purpose designated:
4 44 For providing endow Iowa grants to lead
4 45 philanthropic entities pursuant to section 15E.304:
      4 46
                                                                    250,000
4 47
                                                                     250,000
4 48
4
  49
       5. PARKS.
             There is appropriated from the fund to the
  50
        a.
   1 board for the designated fiscal years, the following
5
   2 amounts, or so much thereof as is necessary, to be
   3 used for the purpose designated:
5
5
       For the purpose of providing financial assistance
   5 for projects in targeted state parks and destination
5
5
   6 parks:
5
              FY 2003=2004.....$
                                                                    500,000
        5
5
  11
  12 cooperation with the department of economic
  13 development, shall submit a plan to the grow Iowa 14 values board for the expenditure of moneys
  15 appropriated in this subsection. The plan shall focus
  16 on improving state parks and destination parks for
  17 economic development purposes. Based on the report 18 submitted, the grow Iowa values board shall provide
  19 financial assistance to the department of natural
  20 resources for support of state parks and destination
  21 parks.
       6. ONE=YEAR CARRYOVER. Notwithstanding section
  23 8.33, moneys appropriated in this section that remain
  24 unencumbered or unobligated at the close of the fiscal
  25 year shall not revert but shall remain available for
  26 expenditure for the purposes designated until the
  27 close of the succeeding fiscal year.
28 Sec. 12. <u>NEW SECTION</u>. 15G.112 UNIVERSITY AND
29 COLLEGE FINANCIAL ASSISTANCE APPROPRIATIONS FROM GROW
  30 IOWA VALUES FUND.
        1. There is appropriated from the fund to the
```

5 31 1. There is appropriated from the fund to the 5 32 board for the designated fiscal years, the following 5 33 amounts, or so much thereof as is necessary, to be

```
For financial assistance for institutions of higher
 36 learning under the control of the state board of
  37 regents and for accredited private institutions as 38 defined in section 261.9 for multiuse, goods
  39 manufacturing processes approved by the food and drug
  40 administration of the United States department of
  41 health and human services; protein purification
  42 facilities for plant, animal, and chemical
  43 manufactured proteins; accelerating new business
  44 creation; innovation accelerators and business parks; 45 incubator facilities; upgrading food and drug
  46 administration drug approval laboratories in Iowa City
  47 to a larger multiclient, goods manufacturing processes 48 facility; crop and animal livestock facilities for the
  49 growing of transgenic crops and livestock, protein
  50 extraction facilities, containment facilities, and
   1 bioanalytical, biochemical, chemical, and 2 microbiological support facilities; a national center
6
6
   3 for food safety and security; and advanced laboratory
6
   4 space:
             FY 2003=2004..... $
6
                                                                     6,000,000
        a.
        6
                                                                     7,000,000
6
                                                                     7,000,000
                                                                     7,000,000
6
         2. Notwithstanding section 8.33, moneys
6
  10 appropriated in this section that remain unencumbered
  11 or unobligated at the close of the fiscal year shall
 12 not revert but shall remain available for expenditure
 13 for the purposes designated until the close of the
  14 succeeding fiscal year.
15    3. In the distribution of moneys appropriated in
 16 this section, the board shall examine the potential
  17 for using such moneys to leverage other moneys 18 available for financial assistance to accredited
6
  19 private institutions.
  20
         4. In awarding moneys appropriated in this
  21 section, the board shall consider whether the purchase
  22 of suitable existing infrastructure is more cost=
  23 efficient than building new infrastructure.
  24 5. An institution of higher learning under the 25 control of the state board of regents may apply to use
  26 financial assistance moneys appropriated in this
  27 section for purposes of a public and private joint
  28 venture to acquire infrastructure assets or research
  29 facilities or to leverage moneys in a manner
6
  30 consistent with meeting the goals and performance
  31 measures provided in section 15G.107.
32 6. Of the moneys appropriated in this section and
  33 provided applications are submitted meeting the
  34 requirements of the board, not less than ten million
  35 dollars in financial assistance shall be awarded to
  36 the university of Iowa, not less than ten million
  37 dollars in financial assistance shall be awarded to
  38 Iowa state university of science and technology, and 39 not less than five million dollars in financial
6
  40 assistance shall be awarded to the university of
  41 northern Iowa.
 42 Sec. 13. <u>NEW SECTION</u>. 15G.113 REHABILITATION 43 PROJECT TAX CREDITS APPROPRIATIONS FROM GROW IOWA
6
  44 VALUES FUND.
6
             There is appropriated from the fund to the
  45
         1.
  46 general fund of the state, for the designated fiscal
  47 years, the following amounts, or so much thereof as is
6
  48 necessary, to be used for the purpose designated:
49 For reimbursement for lost revenue due to tax
  49
6
  50 credits approved pursuant to section 404A.4 for
   1 rehabilitation projects located in certified cultural
7
   2 and entertainment districts:
7
        a. FY 2005=2006.....$
                                                                        500,000
        b. FY 2006=2007.....$
2. Notwithstanding section 8.33, moneys
7
                                                                        500,000
7
7
   6 appropriated in this section that remain unencumbered
7
   7 or unobligated at the close of the fiscal year shall
   8 not revert but shall remain available for expenditure
   9 for the purpose designated until the close of the
7
  10 succeeding fiscal year.
  11 Sec. 14. <u>NEW SECTION</u>. 15G.114 ENDOW IOWA TAX
12 CREDITS APPROPRIATIONS FROM GROW IOWA VALUES FUND.
                                    15G.114 ENDOW IOWA TAX
        1. There is appropriated from the fund to the
7 14 general fund of the state, for the designated fiscal
```

5 34 used for the purposes designated:

```
7 16 necessary, to be used for the purpose designated:
        For reimbursement for lost revenue due to endow
7 17
  18 Iowa tax credits authorized pursuant to section
7 19 15E.305:
        a. FY 2004=2005.....$
  20
                                                                  250,000
        b. FY 2005=2006. $
c. FY 2006=2007. $
                                                                  250,000
  21
  22
                                                                  500,000
        2. Notwithstanding section 8.33, moneys
  24 appropriated in this section that remain unencumbered
  25 or unobligated at the close of the fiscal year shall
  26 not revert but shall remain available for expenditure
  27 for the purpose designated until the close of the
  28 succeeding fiscal year.
29 Sec. 15. <u>NEW SECTION</u>.
7
                                  15G.115 IOWA CULTURAL
  30 TRUST FUND APPROPRIATIONS FROM GROW IOWA VALUES FUND.
        1. There is appropriated from the fund to the
  31
  32 office of the treasurer of state, for the designated
  33 fiscal years, the following amounts, or so much
  34 thereof as is necessary, to be used for the purpose
  35 designated:
7
  36
      For deposit in the Iowa cultural trust fund created
7
  37 in section 303A.4:
      a. FY 2003=2004.....$
b. FY 2004=2005.....$
  38
                                                                   24,194
7
  39
       c. FY 2005=2006. $
d. FY 2006=2007. $
2. Notwithstanding section 8.33, moneys
7
  40
7 41
                                                                  500,000
  42
  43 appropriated in this section that remain unencumbered
 44 or unobligated at the close of the fiscal year shall
7 45 not revert but shall remain available for expenditure 7 46 for the purpose designated until the close of the
7
  47 succeeding fiscal year.
                                  15G.116
  48
       Sec. 16. <u>NEW SECTION</u>.
                                           ANTICIPATED
  49 FEDERAL MONEYS == APPROPRIATIONS TO GROW IOWA VALUES
  50 FUND.
8
        1.
            There is appropriated from the fund created by
8
   2 section 8.41, for the designated fiscal years, the
   3 following amounts, to be used for the purpose
8
8
   4 designated:
8
       For deposit in the grow Iowa values fund:
8
        a. FY 2003=2004..... $ 59,000,000
        b. FY 2004=2005......$ 41,000,000
2. Moneys appropriated in this section are moneys
8
8
8
   9 anticipated to be received from the federal government
8 10 for state and local government fiscal relief under the
  11 federal Jobs and Growth Tax Relief Reconciliation Act
8\ 12\ \text{of }2003 and shall be expended as provided in the 8\ 13\ \text{federal} law making the moneys available and in
8 14 conformance with chapter 17A.
  15 Sec. 17. <u>NEW SECTION</u>. 15G.117 APPROPRIATIONS TO 16 GROW IOWA VALUES FUND.
 17
        There is appropriated from the general fund of the
8 18 state, for the designated fiscal years, the following
  19 amounts, to be used for the purpose designated:
      For deposit in the grow Iowa values fund:
8 20
       8
  21
8
  22
8
  2.3
8
  24
8
  25
8
  26
        27
8
  2.8
  29 from the grow Iowa values fund to the cash reserve 30 fund for the fiscal year beginning July 1, 2004, and
  31 ending June 30, 2005, the following amount, or so much
  32 thereof as is necessary, to be used for the purposes
8
  33 designated:
  34
       For replacing claims paid from the general fund of
8
  35 the state by the state appeal board as affirmed by
  36 this division of this Act:
  37 ...... $ 10,058,162
38 Sec. 19. PAYMENT OF CLAIMS. The general assembly
  39 affirms the action by the state appeal board on August
  40 27, 2004, approving payment of claims against the
 41 state for moneys appropriated from the grow Iowa
8 42 values fund and obligated prior to the Iowa supreme 8 43 court decision of Rants and Iverson v. Vilsack, No.
8 44 60/03=1948, June 16, 2004, that invalidated the proper
8 45 enactment of the appropriations.
```

7 15 years, the following amounts, or so much thereof as is

Sec. 20. Section 260C.18A, subsection 4, paragraph 8 47 a, Code Supplement 2003, as reaffirmed and reenacted 8 48 in part by division IV of this Act, is amended to read 8 49 as follows: 8 50 a. Five One million nine hundred eighty=four thousand five hundred forty=three dollars for the 9 2 fiscal year beginning July 1, 2003. Sec. 21. EFFECTIVE DATE AND RETROACTIVE 4 APPLICABILITY PROVISIONS. This division of this Act, 5 being deemed of immediate importance, takes effect 6 upon enactment, and is retroactively applicable to 7 July 1, 2003. 9 DIVISION IV WORKFORCE=RELATED ISSUES 9 1.0 Sec. 22. Section 260C.18A, subsection 2, 11 unnumbered paragraph 1, subsection 4, paragraph e, 12 subsection 6, paragraph d, and subsection 7, as 13 published in Code Supplement 2003, are reaffirmed and 14 reenacted in accordance with the provisions' enactment 15 in 2003 Iowa Acts, First Extraordinary Session, 16 chapter 2, section 76, including the following 17 amendments to section 260C.18A: 18 1. 2004 Iowa Acts, Senate File 2298, section 330. 2. 2004 Iowa Acts, Senate File 2298, section 331.
3. 2004 Iowa Acts, Senate File 2298, section 370.
Sec. 23. Section 260C.18A, Code Supplement 2003, 19 2.0 22 as reaffirmed and reenacted in part by this division 23 of this Act, is amended by adding the following new 24 subsection: NEW SUBSECTION. 9. This section is repealed 26 effective July 1, 2010. Sec. 24. Section 260F.9, Code Supplement 2003, is 9 9 28 amended by adding the following new subsection: 29 <u>NEW SUBSECTION</u>. 4. 30 effective July 1, 2010. This section is repealed Sec. 25. Section 260F.10, as published in Code 32 Supplement 2003, is reaffirmed and reenacted in 33 accordance with its enactment in 2003 Iowa Acts, First 34 Extraordinary Session, chapter 2, section 78.
35 Sec. 26. Section 260F.10, as reaffirmed and
36 reenacted by this division of this Act, is amended by 37 adding the following new unnumbered paragraph: 38 NEW UNNUMBERED PARAGRAPH. This section is repealed 39 effective July 1, 2010. 9 40 Sec. 27. Section 260G.3, subsection 2, unnumbered 9 41 paragraph 1, Code Supplement 2003, is amended to read 9 42 as follows: An agreement may include reasonable and necessary 9 44 provisions to implement the accelerated career 9 45 education program. If an agreement that utilizes
9 46 program job credits is entered into, the community
9 47 college and the employer shall notify the department 9 48 of revenue as soon as possible. The community college 49 shall also file a copy of the agreement with the 50 department of economic development as required in 10 1 section 260G.4B. The agreement shall provide for 10 2 program costs, including deferred costs, which may be 3 paid from any of the following sources: 4 Sec. 28. Section 260G.3, subsection 2, paragraph 10 10 10 5 e, Code Supplement 2003, is amended to read as 10 6 follows: 10 e. Moneys from a workforce training and economic 8 development fund created in section 260C.18A, based on 10 10 9 the number of program job positions agreed to by the 10 10 employer to be available under the agreement, the 10 11 amount of which shall be calculated in the same manner 10 12 as the program job credits provided for in section 10 13 260G.4A. This paragraph is repealed July 1, 2010. 10 14 Sec. 29. Section 260G.10, as published in Code 10 15 Supplement 2003, is reaffirmed and reenacted in 10 16 accordance with its enactment in 2003 Iowa Acts, First 10 17 Extraordinary Session, chapter 2, section 80. 10 18 Sec. 30. Section 260G.10, as reaffirmed and 10 19 reenacted by this division of this Act, is amended by 10 20 adding the following new unnumbered paragraph: UNNUMBERED PARAGRAPH. This section is repealed 10 21 <u>NEW</u> 10 22 effective July 1, 2010. 10 23 Sec. 31. 2003 Iowa Acts, First Extraordinary 10 24 Session, chapter 2, section 93, is repealed. 10 25 Sec. 32. EFFECTIVE DATE AND RETROACTIVE

10 26 APPLICABILITY PROVISIONS.

```
10 27 1. Except as otherwise provided in subsections 2 10 28 and 3, this division of this Act, being deemed of
10 29 immediate importance, takes effect upon enactment,
10 30 the reaffirmation and reenactment of 2004 Iowa Acts,
10 31 Senate File 2298, section 370, is retroactively
10 32 applicable to July 1, 2003.
   33 2. The reaffirmation and reenactment of 2004 Iowa 34 Acts, Senate File 2298, sections 330 and 331, being
10 33
10
10 35 deemed of immediate importance, takes effect upon
10 36 enactment, and is retroactively applicable to May 17,
10
   37
       2004.
10 38
         3.
              The amendment in this division of this Act to
10 39 section 260G.3, subsection 2, unnumbered paragraph 1,
10 40 takes effect July 1, 2010.
                                DIVISION V
10 41
10 42
                 VALUE=ADDED AGRICULTURAL PRODUCTS AND
10 43
          PROCESSES FINANCIAL ASSISTANCE PROGRAM (VAAPPFAP)
10 44 Sec. 33. The amendments to section 15E.111, 10 45 subsection 1, contained in 2003 Iowa Acts, First
10 46 Extraordinary Session, chapter 1, sections 87 and 133, 10 47 as published in Code Supplement 2003, pertaining to 10 48 the value=added agricultural products and processes
10 49 financial assistance program, are reaffirmed and
10 50 reenacted.
                     Section 15E.111, subsection 1, paragraph
11
          Sec. 34.
11
      a, subparagraph (5), Code Supplement 2003, as
11
      reaffirmed and reenacted in this division of this Act,
11
      is amended to read as follows:
11
          (5) Producer=owned, value=added businesses,
11
    6 education of producers and management boards in value=
11
       added businesses, and other activities that would
    8 support the infrastructure in the development of
11
    9 value=added agriculture. Public ; and public and
11
11 10 private joint ventures involving an institution of
11
   11 higher learning under the control of the state board
11 12 of regents or a private college or university to
   <del>13 acquire</del> <u>acquiring</u> assets, research facilities, and
11 14 leverage moneys in a manner that meets the goals of
11 15 the grow Iowa values fund. For purposes of this
11 16 subsection, "producer=owned, valued=added business"
11 17 means a person who holds an equity interest in the
11 18 agricultural business and is personally involved in
11 19 the production of crops or livestock on a regular,
11 20 continuous, and substantial basis.
11
   2.1
          Sec. 35. Section 15E.111, subsection 1, as
11 22 reaffirmed and reenacted in this division of this Act,
11 23 is amended by adding the following new paragraph:
          NEW PARAGRAPH. c. The amendments to this
11
11 25 subsection, as reaffirmed and reenacted in this Act,
11 26 are repealed effective July 1, 2010.
   27 Sec. 36. EFFECTIVE DATE AND RETROACTIVE 28 APPLICABILITY PROVISIONS. This division of
11 27
11
                                    This division of this Act,
11 29 being deemed of immediate importance, takes effect
11 30 upon enactment, and is retroactively applicable to
11
   31 July 1, 2003.
11 32
                                DIVISION VI
11 33
                            ENDOW IOWA GRANTS
          Sec. 37. The following provisions, as published in
11
   35 Iowa Code Supplement 2003, pertaining to endow Iowa
11
11 36 grants, are reaffirmed and reenacted:
          1. Section 15E.301.
11 37
11
   38
          2.
              Section 15E.302.
              Section 15E.303.
11 39
          3.
11 40
          4.
              Section 15E.304.
11 41
              Section 15E.306.
          5.
              Section 422.11H.
11 42
          6.
11 43
          7.
              Section 422.33, subsection 14.
11 44
          8.
              Section 422.60, subsection 7.
              Section 432.12D.
11 45
11 46
              Section 533.24, subsection 5.
          10.
                     NEW SECTION. 15E.307 ENDOW IOWA GRANTS
11 47
          Sec. 38.
11 48 AND TAX CREDIT == REPEAL.
          This division is repealed effective July 1, 2010.
11 49
                     Section 422.11H, Code Supplement 2003, as
11 50
          Sec. 39.
      reaffirmed and reenacted by this division of this Act, is amended by adding the following new unnumbered
12
12
12
    3 paragraph:
      NEW UNNUMBERED PARAGRAPH. This section is repealed effective July 1, 2010.
12
12
    5
12
          Sec. 40. Section 422.33, subsection 14, Code
      Supplement 2003, as reaffirmed and reenacted by this
```

```
12
   8 division of this Act, is amended by adding the
12 9 following new unnumbered paragraph:
12 10 <u>NEW UNNUMBERED PARAGRAPH</u>. This subsection i
12 11 repealed effective July 1, 2010.
12 12 Sec. 41. Section 422.60, subsection 7, Code
                                      This subsection is
12 13 Supplement 2003, as reaffirmed and reenacted by this
12 14 division of this Act, is amended by adding the
12 15 following new unnumbered paragraph:
         NEW UNNUMBERED PARAGRAPH.
12 16
                                        This subsection is
12 17 repealed effective July 1, 2010.
12 18 Sec. 42. Section 432.12D, Code Supplement 2003, as
12 19 reaffirmed and reenacted by this division of this Act,
12 20 is amended by adding the following new unnumbered
12 21 paragraph:
          NEW UNNUMBERED PARAGRAPH. This section is repealed
12 22
12 23 effective July 1, 2010.
          Sec. 43. Section 533.24, subsection 5, Code plement 2003, as reaffirmed and reenacted by this
12 24
12 25 Supplement
12 26 division of this Act, is amended by adding the
12 27 following new unnumbered paragraph:
          NEW UNNUMBERED PARAGRAPH.
12 28
                                        This subsection is
12 29 repealed effective July 1, 2010.
12 30
          Sec. 44. EFFECTIVE DATE AND RETROACTIVE
12 31 APPLICABILITY PROVISIONS. This division of this Act,
   32 being deemed of immediate importance, takes effect
12
12 33 upon enactment, and is retroactively applicable to
12 34 January 1, 2003, for tax years beginning on or after
12
   35 that date.
12 36
                              DIVISION VII
                 COMMERCIALIZATION OF RESEARCH ISSUES
12 37
12 38 Sec. 45. The following provisions, as published in 12 39 Iowa Code Supplement 2003, pertaining to
12 40 commercialization of research issues, are reaffirmed
12 41 and reenacted:
12 42
              Section 262.9, subsection 31
          2.
             The amendment to section 262B.1.
12 43
12 44
          3. The amendment to section 262B.2.
              The amendment to section 262B.3. The amendment to section 262B.5.
12 45
          4.
12 46
          5.
          Sec. 46. Section 262.9, subsection 31, Code
12 47
12 48 Supplement 2003, as reaffirmed and reenacted by 12 49 division of this Act, is amended by adding the
12 50 following new unnumbered paragraph:
          NEW UNNUMBERED PARAGRAPH.
13
                                        This subsection is
13
    2 repealed effective July 1, 2010.
3 Sec. 47. <u>NEW SECTION</u>. 262B.4 DUTIES OF THE
13
13
    4 CONSORTIUM.
13
          1. Each consortium shall assist the university in
    6 efforts to maximize the economic benefits outlined in
13
13
      section 262B.2. More specifically, it shall assist
   8 the university by making recommendations for:
9 a. The development of strategies and materials
13
13
13 10 useful in marketing university resources to out=of=
13 11 state firms interested in an Iowa site.
13 12
              Matching university resources with the needs of
          b.
13 13 existing Iowa firms.
13 14
          c. Evaluation of university research for
13 15 commercial potential.
13 16
          d. The development of a plan that will improve
13 17 private sector access to the university and the
13 18 transfer of technology from the university to the
13 19 private sector.
13 20
         2. In order to carry out its objectives the
13 21 consortium shall perform, but is not limited to, the
13 22 following tasks:
13 23
          a. Receive and review selected research synopses.
13 24
             Disseminate information on research activities
13 25 of the university.
13
   26
              Identify research needs of existing Iowa
13 27 businesses and recommend ways in which the university
13 28 can meet these needs.
13
              On a case=by=case basis, suggest business and
13 30 financial tactics useful in realizing the commercial
13 31 potential of university research projects.
13
         e. Provide applied technical referral services, if
13 33 appropriate, including but not limited to the
13 34 following duties:
13 35
          (1) To determine and evaluate the research or
13 36 applied technology needs of businesses and farms
13 37 requesting assistance.
          (2) To recommend technology transfer strategies to
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13 39 farms for more efficient production of agricultural
13 40 commodities, or to businesses for developing and
13 41 testing new products, adapting new technologies to
13 42 manufacturing processes or methods, conducting 13 43 marketing analyses of new products or processes, and
13 44 identifying potential financing on new technology=
13 45 based products or manufacturing processes.
13 46
          (3) To refer businesses and farmers to
13 47 universities, community colleges, small business
13 48 development centers, other private businesses, and
13 49 other research and technology transfer activities and 13 50 programs which are beneficial to the development of
   1 new products and the application of technology.
14
          Sec. 48. NEW SECTION. 262B.7 REPEAL.
The amendments to sections 262B.1, 262B.2, 262B.3,
14
14
14
       and 262B.5, and this section are repealed effective
      July 1, 2010.
Sec. 49.
14
    5
14
                      Section 262B.4, Code 2003, is repealed.
          Sec. 50.
                     EFFECTIVE DATE AND RETROACTIVE
14
    8 APPLICABILITY PROVISIONS.
14
14
               This division of this Act, being deemed of
14 10 immediate importance, takes effect upon enactment, and
14 11 is retroactively applicable to July 1, 2003.
14 12 2. New section 262B.4, replacing repealed section 14 13 262B.4, takes effect July 1, 2010.
          LOAN AND CREDIT GUARANTEE FUND Sec. 51. The following provide
14 14
14 15
14 16 Sec. 51. The following provisions, as published in 14 17 Iowa Code Supplement 2003, pertaining to the economic
14 18 development loan and credit guarantee fund, are
14 19 reaffirmed and reenacted:
               Section 15E.221.
14 20
          1.
14 21
          2. Section 15E.222.
              Section 15E.223.
14 22
          3.
14 23
          4.
               Section 15E.224.
               Section 15E.225.
14 24
          5.
14 25
          6.
              Section 15E.226.
              Section 15E.227, subsection 2, paragraph "c".
14 26
          7.
14 27
          Sec. 52. <u>NEW SECTION</u>.
                                      15E.228 LOAN AND CREDIT
14 28 GUARANTEE FUND == REPEAL.
14 29
          This division is repealed effective July 1, 2010.
          Sec. 53. EFFECTIVE DATE AND RETROACTIVE
14 30
14 31 APPLICABILITY PROVISIONS. This division of this Act,
14 32 being deemed of immediate importance, takes effect
14
   33 upon enactment, and is retroactively applicable to
14 34 July 1, 2003.
14 35
                                 DIVISION IX
14
                ECONOMIC ASSISTANCE AND DATA COLLECTION
          Sec. 54. Section 15E.20, as published in Iowa Code
14 37
14 38 Supplement 2003, pertaining to business start=up
14 39 information, is reaffirmed and reenacted.
14 40 Sec. 55. Section 15E.20, Code Supplement 2003, as
14 41 reaffirmed and reenacted by this division of this Act,
14 42 is amended by adding the following new unnumbered
14 43 paragraph:
14 44
          NEW UNNUMBERED PARAGRAPH.
                                         This section is repealed
14 45 effective July 1, 2010.
          Sec. 56. INTERNET WEB SITE DEVELOPMENT.
14 46
14 47 developing the internet web site required in section
14 48 15E.20, the department of economic development shall
14 49 examine similar efforts in other states and
14 50 incorporate the best practices.
                     EFFECTIVE DATE AND RETROACTIVE
15
          Sec. 57.
      APPLICABILITY PROVISIONS.
                                      This division of this Act,
15
      being deemed of immediate importance, takes effect
15
      upon enactment, and is retroactively applicable to
15
15
    5 July 1, 2003.
15
    6
                                 DIVISION X
                 CULTURAL AND ENTERTAINMENT DISTRICTS
15
15
          Sec. 58. Section 303.3B, as published in Iowa Code
    9 Supplement 2003, pertaining to cultural and
15
15 10 entertainment districts, is reaffirmed and reenacted.
15 11 Sec. 59. Section 303.3B, Code Supplement 2003, as
15 12 reaffirmed and reenacted by this division of this Act,
   13 is amended by adding the following new subsection:
15 14 NEW SUBSECTION. 4. 15 15 effective July 1, 2010.
                                   This section is repealed
15 16 Sec. 60. EFFECTIVE DATE AND RETROACTIVE 15 17 APPLICABILITY PROVISIONS. This division of
                                      This division of this Act,
15 18 being deemed of immediate importance, takes effect
15 19 upon enactment, and is retroactively applicable to
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15 20 July 1, 2003.
15 21
                                 DIVISION XI
15 22
15 23
             UNIVERSITY=BASED RESEARCH UTILIZATION PROGRAM
15 23 Sec. 61. The following provisions, as published in 15 24 Iowa Code Supplement 2003, pertaining to the
15 25 university=based research utilization program, are
15 26 reaffirmed and reenacted:
15 27
               Section 262B.11.
15 28
           2. Section 262B.12.
          3. Section 422.11I.
4. Section 422.33, subsection 15.
Sec. 62. Section 262B.11, subsections 1, 2, 3, and
15 29
15 30
15 31
15 32 4, Code Supplement 2003, as reaffirmed and reenacted
15 33 by this division of this Act, are amended to read as
15 34 follows:
15 35
          1.
              The department of economic development shall
15 36 establish and administer a university=based research
15 37 utilization program for purposes of encouraging the
15 38 utilization of university=based research, primarily in
15 39 the area of high technology, in new or existing
15 40 businesses. The program shall include the three
15 41 universities under the control of the state board of
15 42 regents, community colleges established under chapter
       260C, and all accredited private universities located
15 44 in the state. For purposes of this section,
   45 "educational institution" means a university under the
15 46 control of the state board of regents, a community
15 47 college established under chapter 260C, or an
15 48 accredited private university located in the state.
15 49
           2. A new or existing business that utilizes a
15 50 technology developed by an employee at a university
   1 under the control of the state board of regents an
    2 educational institution may apply to the department of 3 economic development for approval to participate in
16
16
     4 the university=based research utilization program.
    5 The department shall approve an applicant if the
16
    6 applicant meets all of the following criteria:
16
          a. The applicant utilizes a technology developed
16
    8 by an employee at a university under the control of
       the state board of regents an educational institution,
16 10 provided that the technology has received a patent 16 11 after July 1, 2003. If the applicant has been in
16 12 existence more than one year prior to applying, the
16 13 applicant shall organize a separate company to utilize
16 14 the technology. For purposes of this section, the 16 15 separate company shall be considered the applicant
16 16 and, if approved, the approved business.
16
          b. The applicant develops a five=year business
16 18 plan approved by the department. The plan shall
16 19 include information concerning the applicant's Iowa
16 20 employment goals and projected impact on the Iowa 16 21 economy. The department shall only approve plans
16 22 showing sufficient potential impact on Iowa employment
16 23 and economic development.
16 24
          c. The applicant meets a minimum=size business
16 25 standard determined by the department.
16 26
          d. The applicant provides annual reports to the
16 27 department that include employment statistics for the 16 28 applicant and the total taxable wages paid to Iowa
16 29 employees and reported to the department of revenue
16 30 pursuant to section 422.16.
16
   31
           3. A business approved under the program and the
16 32 university employee of an educational institution
16 33 responsible for the development of the technology
   34 utilized by the approved business shall be eligible
16 35 for a tax credit. The credit shall be allowed against 16 36 the taxes imposed in chapter 422, divisions II and
16 37 III. An individual may claim a tax credit under this 16 38 section of a partnership, limited liability company, S
16 39 corporation, estate, or trust electing to have income 16 40 taxed directly to the individual. The amount claimed 16 41 by the individual shall be based upon the pro rata
16 42 share of the individual's earnings from the
16 43 partnership, limited liability company, S corporation,
16 44 estate, or trust. A tax credit shall not be claimed
16 45 under this subsection unless a tax credit certificate
16 46 issued by the department of economic development is
16 47 attached to the taxpayer's tax return for the tax year 16 48 for which the tax credit is claimed. The amount of a
```

16 49 tax credit allowed under this subsection shall equal 16 50 the amount listed on a tax credit certificate issued

1 by the department of economic development pursuant to 17 2 subsection 4. A tax credit certificate shall not be 17 3 transferable. Any tax credit in excess of the 4 taxpayer's liability for the tax year may be credited 5 to the taxpayer's tax liability for the following five 17 17 17 6 years or until depleted, whichever occurs first. tax credit shall not be carried back to a tax year 17 prior to the tax year in which the taxpayer redeems 17 17 9 the tax credit.

4. For the five tax years following the tax year 17 10 17 11 in which a business is approved under the program, the 17 12 department of revenue shall provide the department of 17 13 economic development with information required by the 14 department of economic development from each tax 17 15 return filed by the approved business. Upon receiving 17 16 the tax return=related information, the department of 17 17 economic development shall do all of the following: 17 18 a. Review the information provided by the

17 19 department of revenue pursuant to this subsection and 17 20 the annual report submitted by the applicant pursuant 17 21 to subsection 2, paragraph "d". If the department 17 22 determines that the business activities of the 17 23 applicant are not providing the benefits to Iowa 17 24 employment and economic development projected in the 25 applicant's approved five=year business plan, the 17 26 department shall not issue tax credit certificates for 17 27 that year to the applicant or university employee of an educational institution and shall determine any 17 29 related university share to be equal to zero for that

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17 30 year. 17 31 b. Effective for the fiscal year beginning July 1, 17 32 2004, and for subsequent fiscal years, issue a tax 17 33 credit certificate to the approved business and the 34 university employee of an educational institution 35 responsible for the development of the technology 17 36 utilized by the approved business in an amount 17 37 determined pursuant to subsection 5. A tax credit 38 certificate shall contain the taxpayer's name, 17 39 address, tax identification number, the amount of the 17 40 tax credit, and other information required by the 17 41 department of revenue.

c. (1) Determine If the educational institution 43 at issue is a university under the control of the 17 44 state board of regents, determine the university share 17 45 which is equal to the value of thirty percent of the 17 46 tax liability of the approved business for purposes of 17 47 making an appropriation pursuant to section 262B.12, 17 48 to the university where the technology utilized by the 17 49 approved business was developed. A university share 17 50 shall not exceed two hundred twenty=five thousand 1 dollars per year per technology utilized. For each 2 technology utilized, the aggregate university share For each 3 over a five=year period shall not exceed six hundred 4 thousand dollars.

The department shall maintain records for each (2) 6 university during each fiscal year regarding the 7 university share each university is entitled to 8 receive through the appropriation in section 262B.12. 9 A university shall be entitled to receive the total 18 10 university share for that particular university during 18 11 the previous fiscal year.

18 12 d. For the fiscal year beginning July 1, 2004, not 18 13 more than two million dollars worth of certificates 18 14 shall be issued pursuant to paragraph "b". For the 18 15 fiscal year beginning July 1, 2005, and every fiscal 18 16 year thereafter, not more than ten million dollars 18 17 worth of certificates shall be issued pursuant to 18 18 paragraph "b".

Section 262B.11, subsection 5, paragraph Sec. 63. 18 20 b, Code Supplement 2003, as reaffirmed and reenacted 18 21 by this division of this Act, is amended to read as 18 22 follows:

b. For the university employee of an educational 18 23 <u>institution</u> responsible for the development of the 25 technology utilized by the approved business, the 18 26 value of the tax credit certificate shall equal ten 18 27 percent of the tax liability of the approved business. 18 28 If more than one employee is responsible for the 18 29 development of the technology, the value equal to ten 18 30 percent of the tax liability of the approved business 18 31 shall be divided equally and individual tax credit

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18 32 certificates shall be issued to each employee
18 33 responsible for the development of the technology.
18 34 Each year, the total value of a certificate or
18 35 certificates issued for a utilized technology shall 18 36 not exceed seventy=five thousand dollars. For each
18 37 technology utilized, the total aggregate value of
18 38 certificates issued over a five=year period to the
18 39 university employee of an educational institution
18 40 responsible for the development of the technology
18 41 shall not exceed two hundred thousand dollars.
18 42
           Sec. 64. Section 262B.11, Code Supplement 2003, as
18 43 reaffirmed, reenacted, and amended by this division of
18 44 this Act, is amended by adding the following new
18 45 subsection:
18 46 <u>NEW SUBSECTION</u>. 7.
18 47 effective July 1, 2010.
                                   This section is repealed
18 48
          Sec. 65. Section 262B.12, Code 2003, is amended by
18 49 adding the following new unnumbered paragraph:
18 50
          NEW UNNUMBERED PARAGRAPH. This section is repealed
19
    1 effective July 1, 2010.
19
          Sec. 66. Section 422.11I, Code Supplement 2003, as
    3 reaffirmed and reenacted by this division of this Act,
19
19
    4 is amended by adding the following new unnumbered
19
    5 paragraph:
19
          NEW UNNUMBERED PARAGRAPH. This section is repealed
19
       effective July 1, 2010.
    8 Sec. 67. Section 422.33, subsection 15, Code
9 Supplement 2003, as reaffirmed and reenacted by this
19
    8
19
19 10 division of this Act, is amended by adding the
19 11 following new unnumbered paragraph:
19 12 <u>NEW UNNUMBERED PARAGRAPH</u>. Th
19 13 repealed effective July 1, 2010.
                                          This subsection is
19 14
          Sec. 68. 2004 Iowa Acts, House File 2431, is
19 15 repealed.
19 16
          Sec. 69.
                     EFFECTIVE DATE AND RETROACTIVE
19 17 APPLICABILITY PROVISIONS.
19 18
          1. The section of this division of this Act
19 19 reaffirming and reenacting sections 262B.11, 262B.12,
19 20 422.11I, and 422.33, subsection 15, being deemed of
19 21 immediate importance, takes effect upon enactment, and
19 22 applies retroactively to July 1, 2003.
19 23 2. The section of this division of this Act
19 24 amending section 262B.11, as reaffirmed and reenacted
19 25 by this division of this Act, and the sections of this
19
   26 division of this Act not addressed in subsection 1,
19 27 being deemed of immediate importance, take effect upon
19 28 enactment.
19
                                DIVISION XII
                   UNEMPLOYMENT COMPENSATION SURCHARGE
19 30
19 31 Sec. 70. The following provisions, as published in 19 32 Iowa Code Supplement 2003, pertaining to the
19 33 unemployment compensation surcharge, are reaffirmed
19 34 and reenacted:
19 35
          1. Section 96.7, subsection 12, paragraph "a"
19
   36 including the amendment to the paragraph made in 2004
19 37 Iowa Acts, House File 2208, section 21.
19 38
          2. Section 96.7, subsection 12, paragraph "d".
19 39 Sec. 71. EFFECTIVE DATE AND RETROACTIVE
19 40 APPLICABILITY PROVISIONS. This division of this Act,
19 41 being deemed of immediate importance, takes effect
19 42 upon enactment, and is retroactively applicable to
19 43 July 1, 2003.
19 44
19 45
                                DIVISION XIII
19 46
                           ECONOMIC DEVELOPMENT
19 47
          Sec. 72. The following provisions, as published in
19 48 Iowa Code Supplement 2003, pertaining to economic
19 49 development, are reaffirmed and reenacted: 19 50 1. Section 15E.18.
20
              Section 15E.19.
    2 Sec. 73. EFFECTIVE DATE AND RETROACTIVE
3 APPLICABILITY PROVISIONS. This division of this Act,
4 being deemed of immediate importance, takes effect
2.0
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20
20
    5 upon enactment, and is retroactively applicable to
20
    6 July 1, 2003.
                                DIVISION XIV
2.0
20
                   REHABILITATION PROJECT TAX CREDITS
20 9 Sec. 74. Section 404A.4, subsection 4, as 20 10 published in Code Supplement 2003, is reaffirmed and
20 11 reenacted, including the amendments in 2004 Iowa Acts,
20 12 House File 401, section 1, and Senate File 2298,
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20 13 section 395.
20 14 Sec. 75. Section 404A.4, subsection 4, as 20 15 reaffirmed and reenacted by this division of this Act,
20 16 is amended by adding the following new unnumbered
20 17 paragraph:
20 18 NEW UNNUMBERED PARAGRAPH. Thi 20 19 repealed effective July 1, 2010.>
                                          This subsection is
            Title page, by striking lines 1 through 3 and
20
   20 <u>#2.</u>
20 21 inserting the following: <An Act relating to
20 22 regulatory, taxation, and statutory requirements 20 23 affecting individuals and business relating to
20 24 economic development and unemployment contribution
20 25 surcharges, making appropriations,>.
20 26
20 27
20 28
20 29 MICHAEL E. GRONSTAL
20 30
20 31
20 32
   33 DARYL BEALL
20
20 34
20 35
20 36
20 37 DENNIS H. BLACK
20 38
20 39
20 40
20 41 JOE BOLKCOM
20 42
20 43
20 44
20 45 THOMAS G. COURTNEY
20 46
20 47
20 48
20 49 WILLIAM A. DOTZLER
20 50
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    3 ROBERT E. DVORSKY
21
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    6
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    7
       GENE FRAISE
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    9
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   10
21 11 JACK HATCH
21 12
21 13
21 14
21 15 JACK HOLVECK
21 16
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   17
21 18
21 19 WALLY E. HORN
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21 21
21 22
21 23 JOHN P. KIBBIE
21 24
21 25
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21 30
   31 MATT McCOY
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21 32
21 33
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   34
21 35 HERMAN QUIRMBACH
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21 39 AMANDA RAGAN
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21 43 DR. JOE M. SENG

21	44	
21	45	
21	46	
21	47	ROGER STEWART
21	48	
21	49	
21	50	
22	1	STEVE H. WARNSTADT
22	2	SF 2311.702 80
22	3	tm/gg