

State of Iowa  
2004

# **JOURNAL OF THE HOUSE**

**2004  
EXTRAORDINARY SESSION  
EIGHTIETH  
GENERAL ASSEMBLY**

**Convened September 7, 2004  
Adjourned September 7, 2004**

**THOMAS J. VILSACK, Governor  
CHRISTOPHER RANTS, Speaker of the House  
JEFF LAMBERTI, President of the Senate**

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# JOURNAL OF THE HOUSE

First Calendar Day - First Session Day

Hall of the House of Representatives  
Des Moines, Iowa, Tuesday, September 7, 2004

Pursuant to the proclamation of the Governor, the Honorable Thomas J. Vilsack, convening the Eightieth General Assembly in Extraordinary Session, the House was called to order at 10:06 a.m., by the Honorable Christopher Rants, Speaker of the House.

Prayer was offered by the Honorable Ralph Klemme, state representative from Plymouth County.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Speaker Rants.

## COMMUNICATION FROM THE GOVERNOR

Pursuant to Article IV, section XI of the Constitution of the State of Iowa, the following communication from Governor Thomas J. Vilsack was presented and read to the House of Representatives:

August 27, 2004

The Honorable Jeff Lamberti  
President of the Senate  
State Capitol  
L O C A L

The Honorable Christopher Rants  
Speaker of the House  
State Capitol  
L O C A L

Dear Legislative Leaders:

The Iowa Supreme Court filed a decision on a case nullifying the Iowa Values Fund on June 16, 2004. The last few weeks have created a sense of uncertainty about the future of the Fund and the existing obligations as we have worked to reach a compromise. It is essential that we continue the success of this economic growth effort and bring quick resolution to this issue. As a result, I am outlining for you today my list of items that I am willing to sign into law. I expect a single-day special session with no other bills or topics.

In an effort to avoid further litigation, I respectfully suggest the following be drafted to comply with the Iowa State Constitution.

1. **Reinstate banking provisions (Division XVII in [HF 692](#)).**

2. **Reinstate supersedeas bond (as approved in section 115, in [HF 692](#) and [SF 2306](#)).**
3. **Eliminate Unemployment Insurance surcharge and credit the surcharge paid in 2004 back to employers. Provide general fund appropriation to fund Workforce Development field offices through December 2006.**
4. **Appropriate resources from federal stimulus grant in the amount of \$100 million to fund Iowa Values as outlined in [HF 692](#).**
5. **Allow corporations to couple with the federal accelerated depreciation schedule in the federal stimulus packages; the 50 percent depreciation and the Section 179 expensing deduction change, and increase from \$25,000 to \$100,000, the amount that can be deducted.**
6. **I am willing to accept the full recommendation made by Worker's compensation Commissioner, Mike Trier, in his communication to leaders August 24, 2004.**

Now is the time to move forward in aggressively pursuing economic opportunities for all Iowans. Iowans have an expectation that state policy leaders will work together for the good of every citizen. Together, through our determined efforts, we have shown to our citizens that it is possible for compromise and consensus to prevail, even in an election year.

I hereby submit the Proclamation setting the Extraordinary Session of the Iowa Legislature to convene at 10:00 AM, Tuesday, September 7, 2004.

Sincerely,  
Thomas J. Vilsack  
Governor

cc: The Honorable Stewart Iverson, Senate Majority Leader  
The Honorable Chuck Gipp, House Majority Leader  
The Honorable Mike Gronstal, Senate Minority Leader  
The Honorable Pat Murphy, House Minority Leader  
Members of the Eightieth General Assembly

State of Iowa

Executive Department

In The Name And By The Authority Of The State Of Iowa

Proclamation

*Whereas*, the 2004 regular session of the Eightieth General Assembly adjourned pursuant to [Senate Concurrent Resolution 118](#), and

*Whereas*, the Iowa Supreme Court filed a decision on a case nullifying the Iowa Values Fund on June 16, 2004, and

*Whereas*, Iowa has entered a new era of economic and social competition from around the globe. With our action on the legislation of this extraordinary session, Iowa will strengthen its standing in the marketplace as a focused and dedicated state of opportunity. Further, Iowa is a state that remains a leader in education and health care and an outstanding quality of life, and

*Whereas*, economic opportunity and security is in the best interest of all Iowans. The Iowa Values Fund establishes our state as an even better place to do business and focuses our ability to recruit the life sciences, information solutions and advanced manufacturing companies of the next generation, and

*Whereas*, it is essential that we continue the success of this economic growth effort and bring quick resolution to this issue, and

*Now, Therefore, I*, Thomas J. Vilsack, Governor of the State of Iowa, in accordance with Article IV, Section XI, of the Constitution of the State of Iowa, do hereby proclaim that the Eightieth General Assembly shall convene in extraordinary session in Des Moines, Iowa at 10:00 a.m., on the 7th day of September, 2004, and to that end I do call up and direct the members of the House of Representatives to convene in the House chamber at the State Capitol and members of the Senate to convene in the Senate chamber at the State Capitol at 10:00 a.m., on the 7<sup>th</sup> of September, 2004, for the purpose which the Assembly is convened, namely the matter of the Iowa Values Fund, that is essential for the economic security of our state, and matters properly related thereto.

(Seal)            IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the great seal of the State of Iowa to be affixed. Done at Des Moines, Iowa, this 27th day of August in the year of our Lord two thousand four.

THOMAS J. VILSACK  
Governor

Attest:  
CHESTER J. CULVER  
Secretary of State

#### INTRODUCTION OF BILLS

**House File 2581**, by Rants, a bill for an act concerning regulatory, taxation, and statutory requirements affecting individuals and business relating to economic development, workers' compensation, financial services, unemployment compensation employer surcharges, income taxation bonus depreciation and expensing allowances, and civil action appeal bonds, and including effective date, applicability, and retroactive applicability provisions.

Read first time and referred to committee on **commerce, regulation and labor**.

**House File 2582**, by Rants, a bill for an act relating to appropriations for economic development purposes, workforce development field offices, workforce training and economic development funds of community colleges, and including effective date and retroactive applicability provisions.

Read first time and referred to committee on **appropriations**.

#### ORGANIZATION OF THE HOUSE

Gipp of Winneshiek moved that all organization matters not specifically provided for in Joint Rule 3 be the same for this Extraordinary Session as for the 2004 Regular Session of the Eightieth General Assembly.

The motion prevailed.

Gipp of Winneshiek moved that the Chief Clerk of the House be directed to send a written message to the Governor and to the Senate informing them that the House was duly organized and ready to transact business and receive any messages that they may transmit.

The motion prevailed.

#### MESSAGE FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has pursuant to the August 27, 2004, proclamation of the Governor, duly organized for the 2004 Extraordinary Session of the Eightieth General Assembly and is ready to receive communications from the House.

Michael E. Marshall, Secretary

#### RULES SUSPENDED

Gipp of Winneshiek asked and received unanimous consent to suspend the rules for the consideration of House Files 2581 and 2582.

The motion prevailed.

Gipp of Winneshiek asked and received unanimous consent to suspend Rule 57, relating to committee notice and agenda, for meetings of the committee on commerce and regulation and labor, the committee on ways and means and the committee on appropriations.

The motion prevailed.

On motion by Gipp of Winneshiek, the House was recessed at 10:15 a.m., until completion of the meeting for the committees on appropriations and the committee on ways and means.

#### QUORUM CALL

A non-record roll call was requested to determine that a quorum was present. The vote revealed eighty-one members present, nineteen absent.

#### COMMITTEE RECOMMENDATIONS

MR. SPEAKER: The Chief Clerk of the House respectfully reports that the following committee recommendations have been received and are on file in the office of the Chief Clerk.

MARGARET A. THOMSON  
Chief Clerk of the House

#### COMMITTEE ON COMMERCE, REGULATION AND LABOR

[House File 2581](#), a bill for an act concerning regulatory, taxation, and statutory requirements affecting individuals and business relating to economic development, workers' compensation, financial services, unemployment compensation employer surcharges, income taxation bonus depreciation and expensing allowances, and civil action appeal bonds, and including effective date, applicability, and retroactive applicability provisions.

Fiscal Note is required.

Recommended **Do Pass** September 7, 2004.

Pursuant to Rule 31.7, [House File 2581](#) was referred to the committee on ways and means.

## COMMITTEE ON WAYS AND MEANS

[House File 2581](#), a bill for an act concerning regulatory, taxation, and statutory requirements affecting individuals and business relating to economic development, workers' compensation, financial services, unemployment compensation employers surcharges, income taxation bonus depreciation and expensing allowances, and civil action appeal bonds, and including effective date, applicability, and retroactive applicability provisions.

Fiscal Note is required.

Recommended **Do Pass** September 7, 2004.

CONSIDERATION OF BILLS  
Ways and Means Calendar

[House File 2581](#), a bill for an act concerning regulatory, taxation, and statutory requirements affecting individuals and business relating to economic development, workers' compensation, financial services, unemployment compensation employer surcharges, income taxation bonus depreciation and expensing allowances, and civil action appeal bonds, and including effective date, and applicability, and retroactive applicability provisions, with report of committee recommending passage, was taken up for consideration.

Wise of Lee offered amendment [H-8648](#) filed by Wise, Thomas of Clayton, Bell of Jasper, Berry of Black Hawk, Bukta of Clinton, Cohoon of Des Moines, Connors of Polk, Dandekar of Linn, Davitt of Warren, Foege of Linn, Ford of Polk, Frevert of Palo Alto, Gaskill of Wapello, Greimann of Story, Heddens of Story, Hogg of Linn, Hunter of Polk, Jacoby of Johnson, Jochum of Dubuque, Kuhn of Floyd, Lensing of Johnson, Lykam of Scott, Mascher of Johnson, McCarthy of Polk, Mertz of Kossuth, Murphy of Dubuque, Oldson of Polk, D. Olson of Boone, Osterhaus of Jackson, Petersen of Polk, Quirk of Chickasaw, Reasoner of Union, Shomshor of Pottawattamie, Smith of Marshall, Stevens of Dickinson, Swaim of Davis, D. Taylor of Linn, T. Taylor of Linn, Wendt Of Woodbury, Whitaker of Van Buren, Whitead of Woodbury and Winckler of Scott, from the floor as follows:

H-8648

- 1 Amend [House File 2581](#) as follows:
- 2 1. Page 1, by inserting after line 16 the
- 3 following:
- 4 "DIVISION

5           GROW IOWA VALUES BOARD AND FUND  
6    Sec.\_\_\_\_. GROW IOWA VALUES BOARD AND FUND. The  
7    following provisions, as published in Iowa Code  
8    Supplement 2003, pertaining to the grow Iowa values  
9    board and fund, are reaffirmed and reenacted:  
10   1. Section 15.108, subsection 9, paragraph "g".  
11   2. Section 15G.101.  
12   3. Section 15G.102.  
13   4. Section 15G.103.  
14   5. Section 15G.104.  
15   6. Section 15G.105.  
16   7. Section 15G.106.  
17   8. Section 15G.107.  
18   9. Section 15G.108.  
19   10. Section 15G.109.  
20   11. Section 15G.110.  
21   12. Section 292.4, including the amendment made in  
22   2004 Iowa Acts, [House File 2208](#), section 59.  
23   Sec.\_\_\_\_. Section 15G.107, Code Supplement 2003,  
24   as reaffirmed and reenacted by this division of this  
25   Act, is amended by adding the following new  
26   subsection:  
27   NEW SUBSECTION. 6. Notwithstanding subsection 3,  
28   paragraph "a", it is the policy of this state to  
29   expand and stimulate the state economy by advancing,  
30   promoting, and expanding the biotechnology industry in  
31   this state. To implement this policy, the board shall  
32   consider projects that increase income to individuals  
33   or organizations involved in value-added agribusiness  
34   or biotechnology. In making such considerations, the  
35   board shall not limit job creation criteria to one  
36   specific project site.  
37   Sec.\_\_\_\_. Section 15.108, subsection 9, paragraph  
38   g, Code Supplement 2003, as reaffirmed and reenacted  
39   by this division of this Act, is amended by adding the  
40   following new unnumbered paragraph:  
41   NEW UNNUMBERED PARAGRAPH. This paragraph "g" is  
42   repealed effective July 1, 2010.  
43   Sec.\_\_\_\_. Section 15G.110, Code Supplement 2003,  
44   as reaffirmed and reenacted by this division of this  
45   Act, is amended by adding the following new unnumbered  
46   paragraph:  
47   NEW UNNUMBERED PARAGRAPH. This chapter is repealed  
48   effective July 1, 2010.  
49   Sec.\_\_\_\_. 2004 Iowa Acts, [House File 2207](#), section  
50   101, is repealed.

Page 2

1    Sec.\_\_\_\_. EFFECTIVE DATE AND RETROACTIVE  
2    APPLICABILITY PROVISIONS. This division of this Act,  
3    being deemed of immediate importance, takes effect



4 upon enactment, and, other than the repeal of 2004  
5 Iowa Acts, [House File 2207](#), section 101, is  
6 retroactively applicable to July 1, 2003.  
7 DIVISION  
8 VALUE-ADDED AGRICULTURAL PRODUCTS AND  
9 PROCESSES FINANCIAL ASSISTANCE PROGRAM (VAAPPFAP)  
10 Sec.\_\_\_\_. The amendments to section 15E.111,  
11 subsection 1, contained in 2003 Iowa Acts, First  
12 Extraordinary Session, chapter 1, sections 87 and 133,  
13 as published in Code Supplement 2003, pertaining to  
14 the value-added agricultural products and processes  
15 financial assistance program, are reaffirmed and  
16 reenacted.  
17 Sec.\_\_\_\_. Section 15E.111, subsection 1, paragraph  
18 a, subparagraph (5), Code Supplement 2003, as  
19 reaffirmed and reenacted in this division of this Act,  
20 is amended to read as follows:  
21 (5) Producer-owned, value-added businesses,  
22 education of producers and management boards in value-  
23 added businesses, and other activities that would  
24 support the infrastructure in the development of  
25 value-added agriculture. ~~Public and public~~ and  
26 private joint ventures involving an institution of  
27 higher learning under the control of the state board  
28 of regents or a private college or university ~~to~~  
29 ~~acquire~~ acquiring assets, research facilities, and  
30 leverage moneys in a manner that meets the goals of  
31 the grow Iowa values fund. For purposes of this  
32 subsection, "producer-owned, valued-added business"  
33 means a person who holds an equity interest in the  
34 agricultural business and is personally involved in  
35 the production of crops or livestock on a regular,  
36 continuous, and substantial basis.  
37 Sec.\_\_\_\_. Section 15E.111, subsection 1, as  
38 reaffirmed and reenacted in this division of this Act,  
39 is amended by adding the following new paragraph:  
40 NEW PARAGRAPH. c. The amendments to this  
41 subsection, as reaffirmed and reenacted in this Act,  
42 are repealed effective July 1, 2010.  
43 Sec.\_\_\_\_. EFFECTIVE DATE AND RETROACTIVE  
44 APPLICABILITY PROVISIONS. This division of this Act,  
45 being deemed of immediate importance, takes effect  
46 upon enactment, and is retroactively applicable to  
47 July 1, 2003."  
48 2. By striking page 10, line 14, through page 12,  
49 line 14, and inserting the following:  
50 "6. Section 15E.226.

Page 3

1 7. Section 15E.227, subsection 2, paragraph "c".  
2 Sec.\_\_\_\_. NEW SECTION. 15E.228 LOAN AND CREDIT

3 GUARANTEE FUND – REPEAL.

4 This division is repealed effective July 1, 2010."

5 3. By striking page 13, line 5, through page 14,  
6 line 6.

7 4. Page 16, by striking lines 16 through 30, and  
8 inserting the following:

9 "DIVISION

10 REHABILITATION PROJECT TAX CREDITS

11 Sec.\_\_\_\_. Section 404A.4, subsection 4, as  
12 published in Code Supplement 2003, is reaffirmed and  
13 reenacted, including the amendments in 2004 Iowa Acts,  
14 [House File 401](#), section 1, and [Senate File 2298](#),  
15 section 395.

16 Sec.\_\_\_\_. Section 404A.4, subsection 4, as  
17 reaffirmed and reenacted by this division of this Act,  
18 is amended by adding the following new unnumbered  
19 paragraph:

20 NEW UNNUMBERED PARAGRAPH. This subsection is  
21 repealed effective July 1, 2010."

22 5. By renumbering as necessary.

The House stood at ease at 2:55 p.m., until the fall of the gavel.

The House resumed session at 3:05 p.m., Speaker Rants in the chair.

Wise of Lee moved the adoption of amendment [H-8648](#).

Roll call was requested by Wise of Lee and Murphy of Dubuque.

On the question "Shall amendment [H-8648](#) be adopted?" ([H.F. 2581](#))

The ayes were, 43:

Bell	Berry	Bukta	Cohoon
Connors	Dandekar	Davitt	Foege
Ford	Frevert	Gaskill	Greimann
Heddens	Hogg	Hunter	Huser
Jacoby	Jochum	Kuhn	Lensing
Lykam	Mascher	McCarthy	Mertz
Murphy	Oldson	Olson, D.	Osterhaus
Petersen	Quirk	Reasoner	Shomshor
Smith	Stevens	Swaim	Taylor, D.
Taylor, T.	Thomas	Wendt	Whitaker
Whitead	Winckler	Wise	

The nays were, 54:

Alons	Arnold	Baudler	Boal
Boddicker	Carroll	Chambers	De Boef
Dennis	Dix	Dolecheck	Drake
Eichhorn	Elgin	Fallon	Freeman
Gipp	Granzow	Greiner	Hahn
Hanson	Heaton	Hoffman	Horbach
Huseman	Hutter	Jacobs	Jenkins
Jones	Klemme	Kramer	Kurtenbach
Lalk	Lukan	Maddox	Manternach
Olson, S.	Paulsen	Raecker	Rasmussen
Rayhons	Roberts	Sands	Schickel
Struyk	Tjepkes	Tymeson	Upmeyer
Van Engelenhoven	Van Fossen, J.K.	Van Fossen, J.R.	Watts
Wilderdyke	Mr. Speaker		
	Rants		

Absent or not voting, 3:

Bogges	Miller	Shultz
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Amendment [H-8648](#) lost.

Wise of Lee offered amendment [H-8650](#) filed by Wise, Bell of Jasper, Berry of Black Hawk, Bukta of Clinton, Cohoon of Des Moines, Connors of Polk, Dandekar of Linn, Davitt of Warren, Fallon of Polk, Foege of Linn, Ford of Polk, Frevert of Palo Alto, Gaskill of Wapello, Greimann of Story, Heddens of Story, Hogg of Linn, Hunter of Polk, Jacoby of Johnson, Jochum of Dubuque, Kuhn of Floyd, Lensing of Johnson, Lykam of Scott, Mascher of Johnson, McCarthy of Polk, Mertz of Kossuth, Murphy of Dubuque, Oldson of Polk, D. Olson of Boone, Osterhaus of Jackson, Petersen of Polk, Quirk of Chickasaw, Reasoner of Union, Shomshor of Pottawattamie, Smith of Marshall, Stevens of Dickinson, Swaim of Davis, D. Taylor of Linn, T. Taylor of Linn, Thomas of Clayton, Wendt of Woodbury, Whitaker of Van Buren, Whitead of Woodbury, Winckler of Scott, from the floor as follows:

[H-8650](#)

- 1 Amend [House File 2581](#) as follows:
- 2 1. By striking page 3, line 18, through page 9,
- 3 line 26.
- 4 2. Title page, line 3, by striking the words
- 5 "workers' compensation,".
- 6 3. By renumbering as necessary.

Roberts of Carroll in the chair at 4:00 p.m.

Speaker Rants in the chair at 4:15 p.m.

Roll call was requested by Wise of Lee and Murphy of Dubuque.

On the question "Shall amendment [H-8650](#) be adopted?" ([H.F. 2581](#))

The ayes were, 45:

Bell	Berry	Bukta	Cohoon
Connors	Dandekar	Davitt	Eichhorn
Fallon	Foege	Ford	Frevert
Gaskill	Greimann	Heddens	Hogg
Hunter	Huser	Jacoby	Jochum
Kuhn	Lensing	Lykam	Mascher
McCarthy	Mertz	Murphy	Oldson
Olson, D.	Osterhaus	Petersen	Quirk
Reasoner	Shomshor	Smith	Stevens
Swaim	Taylor, D.	Taylor, T.	Thomas
Wendt	Whitaker	Whitead	Winckler
Wise			

The nays were, 52:

Arnold	Baudler	Boal	Boddicker
Bogges	Carroll	Chambers	De Boef
Dennis	Dix	Dolecheck	Drake
Elgin	Freeman	Gipp	Granzow
Greiner	Hahn	Hanson	Heaton
Hoffman	Horbach	Huseman	Hutter
Jacobs	Jenkins	Jones	Klemme
Kramer	Kurtenbach	Lalk	Lukan
Maddox	Manternach	Olson, S.	Paulsen
Raecker	Rasmussen	Rayhons	Roberts
Sands	Schickel	Struyk	Tjepkes
Tymeson	Upmeyer	Van Engelenhoven	Van Fossen, J.K.
Van Fossen, J.R.	Watts	Wildurdyke	Mr. Speaker
			Rants

Absent or not voting, 3:

Alons	Miller	Shoultz
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Amendment [H-8650](#) lost.

Hogg of Linn offered amendment [H-8651](#) filed by him from the floor as follows:

[H-8651](#)

- 1 Amend [House File 2581](#) as follows:
- 2 1. Page 5, lines 10 and 11, by striking the words
- 3 "or from causes unrelated to employment".

A non-record roll call was requested.

The ayes were 40, nays 47.

Amendment [H-8651](#) lost.

Hunter of Polk asked and received unanimous consent to withdraw amendment [H-8645](#) filed by him from the floor.

Wise of Lee offered the following amendment [H-8646](#) filed by him from the floor and moved its adoption:

[H-8646](#)

- 1 Amend [House File 2581](#) as follows:
- 2 1. Page 16, line 17, by striking the word
- 3 "ADVISORY".
- 4 2. Page 16, line 18, by striking the word
- 5 "ADVISORY".
- 6 3. Page 16, by striking lines 24 and 25 and
- 7 inserting the following: "validated."

A non-record roll call was requested.

The ayes were 38, nays 48.

Amendment [H-8646](#) lost.

Oldson of Polk offered amendment [H-8649](#) filed by Oldson, Thomas of Clayton, Hogg of Linn, Smith of Marshall, Winckler of Scott, D. Olson of Boone, Lykam of Scott, Foege of Linn, Lensing of Johnson, Bukta of Clinton, Kuhn of Floyd, Connors of Polk, Reasoner of Union, Stevens of Dickinson, Jacoby of Johnson, Whitead of Woodbury and Wendt of Woodbury from the floor as follows:

[H-8649](#)

- 1 Amend [House File 2581](#) as follows:
- 2 1. Page 16, by inserting after line 30 the

3 following:

4 "DIVISION  
5 CULTURAL AND ENTERTAINMENT DISTRICTS  
6 Sec. \_\_\_. Section 303.3B, as published in Iowa  
7 Code Supplement 2003, pertaining to cultural and  
8 entertainment districts, is reaffirmed and reenacted.  
9 Sec. \_\_\_. Section 303.3B, Code Supplement 2003, as  
10 reaffirmed and reenacted by this division of this Act,  
11 is amended by adding the following new subsection:  
12 NEW SUBSECTION. 4. This section is repealed  
13 effective June 30, 2010.  
14 Sec. \_\_\_. EFFECTIVE DATE AND RETROACTIVE  
15 APPLICABILITY PROVISIONS. This division of this Act,  
16 being deemed of immediate importance, takes effect  
17 upon enactment, and is retroactively applicable to  
18 July 1, 2003."  
19 2. By renumbering as necessary.

Amendment [H-8649](#) lost.

The House stood at ease at 4:45 p.m., until the fall of the gavel.

The House resumed session at 5:04 p.m., Speaker Rants in the chair.

Hoffman of Crawford moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" ([H.F. 2581](#))

The ayes were, 60:

Alons	Arnold	Baudler	Boal
Boddicker	Boggest	Carroll	Chambers
Cohoon	Dandekar	De Boef	Dennis
Dix	Dolecheck	Drake	Elgin
Freeman	Frevert	Gipp	Granzow
Greiner	Hahn	Hanson	Heaton
Hoffman	Horbach	Huseman	Hutter
Jacobs	Jenkins	Jones	Klemme
Kramer	Kurtenbach	Lalk	Lukan
Maddox	Manternach	Mertz	Olson, S.
Paulsen	Quirk	Raecker	Rasmussen
Rayhons	Roberts	Sands	Schickel
Swaim	Thomas	Tjepkes	Tymeson
Upmeyer	Van Engelenhoven	Van Fossen, J.K.	Van Fossen, J.R.
Watts	Wilderdyke	Wise	Mr. Speaker
			Rants

The nays were, 38:

Bell	Berry	Bukta	Connors
Davitt	Eichhorn	Fallon	Foege
Ford	Gaskill	Greimann	Heddens
Hogg	Hunter	Huser	Jacoby
Jochum	Kuhn	Lensing	Lykam
Mascher	McCarthy	Murphy	Oldson
Olson, D.	Osterhaus	Petersen	Reasoner
Shomshor	Smith	Stevens	Struyk
Taylor, D.	Taylor, T.	Wendt	Whitaker
Whitead	Winckler		

Absent or not voting, 2:

Miller                      Shoultz

Hogg of Linn rose on a point of order and objected to the title.

Gipp of Winneshiek moved the adoption of the title.

The motion prevailed.

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

#### IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that [House File 2581](#) be immediately messaged to the Senate.

On motion by Gipp of Winneshiek, the House was recessed at 5:23 p.m., until 6:30 p.m.

#### EVENING SESSION

The House reconvened at 6:33 p.m., Speaker Rants in the chair.

#### MESSAGE FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on September 7, 2004, passed the following bill in which the concurrence of the House is asked:

[Senate File 2311](#), an act relating to appropriations for economic development purposes, workforce development field offices, workforce training and economic development funds of community colleges, and including effective date and retroactive applicability provisions.

MICHAEL E. MARSHALL, Secretary

#### QUORUM CALL

A non-record roll call was requested to determine that a quorum was present. The vote revealed ninety-two members present, eight absent.

#### SENATE MESSAGE CONSIDERED

[Senate File 2311](#), by committee on appropriations, a bill for an act relating to appropriations for economic development purposes, workforce development field offices, workforce training and economic development funds of community colleges, and including effective date and retroactive applicability provisions.

Read first time and **passed on file**.

#### COMMITTEE RECOMMENDATION

MR. SPEAKER: The Chief Clerk of the House respectfully reports that the following committee recommendation has been received and is on file in the office of the Chief Clerk.

MARGARET A. THOMSON  
Chief Clerk of the House

#### COMMITTEE ON APPROPRIATIONS

[House File 2582](#), a bill for an act relating to appropriations for economic development purposes, workforce development field offices, workforce training and economic development funds of community colleges, and including effective date and retroactive applicability provisions.

Fiscal Note is not required.

Recommended: **Do Pass** September 7, 2004.



CONSIDERATION OF BILLS  
Appropriations Calendar

[House File 2582](#), a bill for an act relating to appropriations for economic development purposes, workforce development field offices, workforce training and economic development funds of community colleges, and including effective date and retroactive applicability provisions, with report of committee recommending passage, was taken up for consideration.

Roberts of Carroll in the chair at 7:04 p.m.

Fallon of Polk asked and received unanimous consent to withdraw amendment [H-8644](#) filed by him from the floor.

Wise of Lee asked and received unanimous consent to withdraw amendment [H-8647](#) filed by him, Thomas of Clayton, Bell of Jasper, Berry of Black Hawk, Bukta of Clinton, Cohoon of Des Moines, Connors of Polk, Dandekar of Linn, Davitt of Warren, Foege of Linn, Ford of Polk, Frevert of Palo Alto, Gaskill of Wapello, Greimann of Story, Heddens of Story, Hogg of Linn, Hunter of Polk, Jacoby of Johnson, Jochum of Dubuque, Kuhn of Floyd, Lensing of Johnson, Lykam of Scott, Mascher of Johnson, McCarthy of Polk, Mertz of Kossuth, Murphy of Dubuque, Oldson of Polk, D. Olson of Boone, Osterhaus of Jackson, Petersen of Polk, Quirk of Chickasaw, Reasoner of Union, Shomshor of Pottawattamie, Smith of Marshall, Stevens of Dickinson, Swaim of Davis, D. Taylor of Linn, T. Taylor of Linn, Wendt of Woodbury, Whitaker of Van Buren, Whitead of Woodbury and Winckler of Scott, from the floor.

Speaker Rants in the chair at 7:12 p.m.

Thomas of Clayton offered the following amendment [H-8652](#) filed by Thomas, Wise of Lee, Quirk of Chickasaw, Whitaker of Van Buren, D. Olson of Boone, Reasoner of Union, Gaskill of Wapello, Swaim of Davis, Mertz of Kossuth, Kuhn of Floyd, Frevert of Palo Alto and Bell of Jasper from the floor and moved its adoption:

[H-8652](#)

- 1 Amend [House File 2582](#) as follows:
- 2 1. Page 6, by inserting after line 6 the

3 following:

4 "DIVISION  
5 ECONOMIC DEVELOPMENT AREAS  
6 Sec.\_\_\_\_. NEW SECTION. 15E.231 ECONOMIC  
7 DEVELOPMENT AREAS.

8 1. In order for an economic development area to  
9 receive financial assistance from the department, the  
10 organization of an economic development area must be  
11 approved by the department. The department shall  
12 approve an economic development area that establishes  
13 a single, focused economic development effort,  
14 approved by the department, that shall include the  
15 development of an area development plan and area  
16 marketing strategies. Area marketing strategies must  
17 be focused on marketing the area collectively.

18 2. An approved economic development area may apply  
19 to the department for financial assistance to assist  
20 with physical infrastructure needs related to a  
21 specific business partner. In order to receive  
22 financial assistance pursuant to this subsection, the  
23 economic development area must demonstrate all of the  
24 following:

25 a. The ability to provide matching moneys on a  
26 one-to-one basis.

27 b. The commitment of the specific business  
28 partner.

29 c. That all other funding alternatives have been  
30 exhausted.

31 3. An approved economic development area may apply  
32 to the department for financial assistance to assist  
33 an existing business located in the economic  
34 development area impacted by business consolidation  
35 actions. Business consolidation actions include a  
36 substantial or total closure of an existing business  
37 due to consolidating the existing business out of  
38 state. In order to receive financial assistance  
39 pursuant to this subsection, the economic development  
40 area must demonstrate the ability to provide matching  
41 moneys on a one-to-one basis.

42 4. An approved economic development area may apply  
43 to the department for financial assistance to  
44 implement economic development initiatives unique to  
45 the area. In order to receive financial assistance  
46 pursuant to this subsection, the economic development  
47 area must demonstrate the ability to provide matching  
48 moneys on a one-to-one basis.

49 5. An approved economic development area may apply  
50 to the department for financial assistance to

Page 2

1 implement innovative initiatives that do not qualify

2 for assistance under subsection 4.  
3 6. The department may establish and administer an  
4 area economic development revenue sharing pilot  
5 project for one or more areas. The department shall  
6 take into consideration the geographical disbursement  
7 of the pilot projects. The department shall provide  
8 technical assistance to the areas participating in a  
9 pilot project.  
10 7. The amount of financial assistance available  
11 under subsections 2, 3, 4, and 5 and section 15E.232  
12 shall be determined by the department.  
13 Sec.\_\_\_\_. NEW SECTION. 15E.232 ECONOMICALLY  
14 ISOLATED AREAS.  
15 1. An approved economic development area may apply  
16 to the department for approval to be designated as an  
17 economically isolated area based on criteria as  
18 determined by the department. An economically  
19 isolated area must consist of at least one county  
20 meeting the county distress criteria provided in  
21 section 15E.194. The department shall approve no more  
22 than five areas as economically isolated areas.  
23 2. An approved economically isolated area may  
24 apply to the department for financial assistance for  
25 purposes of economic development-related marketing  
26 assistance for the area. In order to receive  
27 financial assistance pursuant to this subsection, the  
28 economically isolated area must demonstrate the  
29 ability to provide matching moneys on a one-to-one  
30 basis.  
31 Sec.\_\_\_\_. EFFECTIVE DATE PROVISION. This division  
32 of this Act, being deemed of immediate importance,  
33 takes effect upon enactment."  
34 2. By renumbering as necessary.

Roll call was requested by Murphy of Dubuque and Thomas of Clayton.

On the question "Shall amendment [H-8652](#) be adopted?" ([H.F. 2582](#))

The ayes were, 45:

Baudler	Bell	Berry	Bukta
Cohoon	Connors	Dandekar	Davitt
Fallon	Foege	Ford	Frevert
Gaskill	Greimann	Heddens	Hogg
Hunter	Jacoby	Jochum	Kuhn
Lensing	Lykam	Mascher	McCarthy
Mertz	Miller	Murphy	Oldson
Olson, D.	Osterhaus	Petersen	Quirk

Reasoner	Shomshor	Smith	Stevens
Swaim	Taylor, D.	Taylor, T.	Thomas
Wendt	Whitaker	Whitead	Winckler
Wise			

The nays were, 53:

Alons	Arnold	Boal	Boddicker
Bogges	Carroll	Chambers	De Boef
Dennis	Dix	Dolecheck	Drake
Eichhorn	Elgin	Freeman	Gipp
Granzow	Greiner	Hahn	Hanson
Heaton	Hoffman	Horbach	Huseman
Hutter	Jacobs	Jenkins	Jones
Klemme	Kramer	Kurtenbach	Lalk
Lukan	Maddox	Manternach	Olson, S.
Paulsen	Raecker	Rasmussen	Rayhons
Roberts	Sands	Schickel	Struyk
Tjepkes	Tymeson	Upmeyer	Van Engelenhoven
Van Fossen, J.K.	Van Fossen, J.R.	Watts	Wilderdike
Mr. Speaker			
Rants			

Absent or not voting, 2:

Huser	Shultz
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Amendment [H-8652](#) lost.

[SENATE FILE 2311](#) SUBSTITUTED FOR [HOUSE FILE 2582](#)

Jenkins of Black Hawk asked and received unanimous consent to substitute [Senate File 2311](#) for [House File 2582](#).

[Senate File 2311](#), a bill for an act relating to appropriations for economic development purposes, workforce development field offices, workforce training and economic development funds of community colleges, and including effective date and retroactive applicability provisions, was taken up for consideration.

Klemme of Plymouth in the chair at 7:44 p.m.

Jenkins of Black Hawk moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" ([S.F. 2311](#))

The ayes were, 97:

Alons	Arnold	Baudler	Bell
Berry	Boal	Boddicker	Bogges
Bukta	Carroll	Chambers	Cohoon
Connors	Dandekar	Davitt	De Boef
Dennis	Dix	Dolecheck	Drake
Elgin	Foege	Ford	Freeman
Frevert	Gaskill	Gipp	Granzow
Greimann	Greiner	Hahn	Hanson
Heaton	Heddens	Hoffman	Hogg
Horbach	Hunter	Huseman	Huser
Hutter	Jacobs	Jacoby	Jenkins
Jochum	Jones	Klemme	Kramer
Kuhn	Kurtenbach	Lalk	Lensing
Lukan	Lykam	Maddox	Manternach
Mascher	McCarthy	Mertz	Miller
Murphy	Oldson	Olson, D.	Olson, S.
Osterhaus	Paulsen	Petersen	Quirk
Raecker	Rasmussen	Rayhons	Reasoner
Roberts	Sands	Schickel	Shomshor
Smith	Stevens	Struyk	Swaim
Taylor, D.	Taylor, T.	Thomas	Tjepkes
Tymeson	Upmeyer	Van Engelenhoven	Van Fossen, J.K.
Van Fossen, J.R.	Watts	Wendt	Whitaker
Whitead	Wilderdyke	Winckler	Wise
Mr. Speaker			
Rants			

The nays were, 2:

Eichhorn                  Fallon

Absent or not voting, 1:

Shoultz

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

#### IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that [Senate File 2311](#) be immediately messaged to the Senate.

#### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on September 7, 2004, passed the following bill in which the concurrence of the Senate was asked:

[House File 2581](#), an act concerning regulatory, taxation, and statutory requirements affecting individuals and business relating to economic development, workers' compensation, financial services, unemployment compensation employer surcharges, income taxation bonus depreciation and expensing allowances, and civil action appeal bonds, and including effective date, applicability, and retroactive applicability provisions.

Also: that the Senate has on September 7, 2004, adopted the following resolution in which the concurrence of the House is asked:

[Senate Concurrent Resolution 119](#), a Senate Concurrent Resolution to provide for adjournment sine die.

MICHAEL E. MARSHALL, Secretary

#### ADOPTION OF [SENATE CONCURRENT RESOLUTION 119](#)

Gipp of Winneshiek asked and received unanimous consent for the immediate consideration of [Senate Concurrent Resolution 119](#) as follows, and moved its adoption.

- 1 [Senate Concurrent Resolution 119](#)
- 2 By Committee on Rules and Administration
- 3 A Senate Concurrent Resolution to provide for
- 4 adjournment sine die.
- 5 *Be It Resolved By The Senate, The House of*
- 6 *Representatives Concurring, That when adjournment is*
- 7 *had on Tuesday, September 7, 2004, it shall be the final*
- 8 *adjournment of the 2004 Extraordinary Session of the*
- 9 *Eightieth General Assembly.*

The motion prevailed and the resolution was adopted.

#### MESSAGE TO THE GOVERNOR AND TO THE SENATE

Gipp of Winneshiek moved that the Chief Clerk of the House be directed to send a written message to the Governor and to the Senate informing them that the House of Representatives was prepared to adjourn sine die pursuant to [Senate Concurrent Resolution 119](#).

The motion prevailed.

**BILL ENROLLED, SIGNED AND SENT TO GOVERNOR**

The Chief Clerk of the House submitted the following report.

Mr. Speaker: The Chief Clerk of the House respectfully reports that the following bill has been examined and found correctly enrolled, signed by the Speaker of the House and the President of the Senate, and presented to the Governor for his approval on this 7<sup>th</sup> day of September, 2004: [House File 2581](#).

MARGARET A. THOMSON  
Chief Clerk of the House

Report adopted.

**BILLS SIGNED BY THE GOVERNOR**

A communication was received from the Governor announcing that on September 7, 2004, he approved and transmitted to the Secretary of State the following bills:

[House File 2581](#), an Act concerning regulatory, taxation, and statutory requirements relating to economic development, workers' compensation, financial services, unemployment compensation employer surcharges, income taxation bonus depreciation and expensing allowances, and civil action appeal bonds, and including effective date, applicability, and retroactive applicability provisions.

[Senate File 2311](#), an Act relating to appropriations for economic development purposes, workforce development field offices, workforce training and economic development funds of community colleges, and including effective date and retroactive applicability provisions.

**COMMUNICATIONS RECEIVED**

The following communications were received and filed in the office of the Chief Clerk:

**DEPARTMENT OF ECONOMIC DEVELOPMENT**

Semi-annual report on progress in Value-Added Agriculture Products and Processes Financial Assistance Program, pursuant to Chapter 15.203(2), Code of Iowa.

**DEPARTMENT OF HUMAN SERVICES**

Systems Redesign Progress Report, pursuant to Chapter 35(1), Code of Iowa.

**DEPARTMENT OF JUSTICE  
Office of Consumer Advocate**

Annual Report, pursuant to Chapter 476.98, Code of Iowa.

DEPARTMENT OF NATURAL RESOURCES

2003 Public Drinking Water Program Annual Compliance Report, pursuant to Chapter 455B.105(5), Code of Iowa.

DEPARTMENT OF PUBLIC HEALTH

Vital Statistics of Iowa for 2002, pursuant to Chapter 144.5(5), Code of Iowa.

DEPARTMENT OF TRANSPORTATION

Report on Highways, Roads and Streets. For study years 2002-2021. Second Annual Update, pursuant to Chapter 307.10(1), Code of Iowa.

IOWA CIVIL RIGHTS COMMISSION

Iowa Communication Network Annual Savings Report, pursuant to Chapter 8D.10, Code of Iowa.

FINAL ADJOURNMENT

By virtue of [Senate Concurrent Resolution 119](#), duly adopted, the day of September 7, 2004 having arrived the Speaker of the House, Christopher Rants, declared the 2004 Extraordinary Session of the House of Representatives of the Eightieth General Assembly adjourned sine die at 8:06 p.m.