

FILED MAR 17 1993

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SENATE FILE 335

BY COMMITTEE ON SMALL BUSINESS,
ECONOMIC DEVELOPMENT AND
TOURISM

(SUCCESSOR TO SSB 239)

Passed Senate, Date 3/29/93 Passed House, Date _____
Vote: Ayes 36 Nays 13 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the Wallace technology transfer foundation and
2 providing an effective date.

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

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SF-335

1 Section 1. Section 15E.152, unnumbered paragraph 3, Code
2 1993, is amended to read as follows:

3 The foundation consists of a board of directors, an
4 advisory council, ~~an-executive-director,~~ and staff.

5 Sec. 2. Section 15E.153, Code 1993, is amended to read as
6 follows:

7 15E.153 AUTHORIZED CORPORATION.

8 A Wallace technology transfer foundation of Iowa shall be
9 incorporated under chapter 504A. The foundation shall not be
10 regarded as a state agency, except for purposes of chapter
11 17A. A member of the board of directors is not considered a
12 state employee, except for purposes of chapter 669. The
13 ~~executive-director-is-a-state-employee-for-purposes-of-the~~
14 ~~Iowa-public-employees'-retirement-system,-state-health-and~~
15 ~~dental-plans,-and-other-state-employee-benefits-and-chapter~~
16 ~~669-~~ A natural person employed by the ~~executive-director~~
17 foundation is a state employee for purposes of the Iowa public
18 employees' retirement system, state health and dental plans,
19 and other state employee benefits plans and chapter 669.
20 Chapters 8, 18, 19A, and 20, and other provisions of law that
21 relate to requirements or restrictions dealing with state
22 personnel or state funds do not apply to the foundation, the
23 ~~executive-director,~~ and any employees of the board or the
24 foundation, except to the extent provided in this chapter.

25 Sec. 3. Section 15E.154, Code 1993, is amended by striking
26 the section and inserting in lieu thereof the following:

27 15E.154 BOARD OF DIRECTORS.

28 1. The board of directors of the foundation shall consist
29 of eleven voting members and four ex officio nonvoting members
30 as follows:

31 a. One member chosen by the state board of regents.

32 b. One member chosen by the Iowa association of community
33 college presidents.

34 c. One member who serves on the governing body of a
35 private college or university and who is involved in

1 manufacturing, biotechnology, or food processing chosen by the
2 Iowa association of independent colleges and universities.

3 d. Eight members appointed by the governor and confirmed
4 by the senate pursuant to section 2.32. Of these eight
5 members, one shall be chosen from the governing body of a
6 statewide building trades or manufacturing employees labor
7 organization, one shall be chosen from production agriculture,
8 at least one shall be chosen from the food processing
9 business, at least one shall be chosen from a biotechnology
10 business, and at least three shall be chosen from advanced
11 manufacturing businesses. Also, two of these members shall be
12 chosen from businesses with fewer than one hundred employees.

13 e. The following four ex officio, nonvoting members with
14 one member appointed by each of the following persons: the
15 speaker of the house of representatives, the minority leader
16 of the house of representatives, the president of the senate,
17 after consultation with the majority leader and the minority
18 leader of the senate, and the minority leader of the senate,
19 after consultation with the president of the senate.

20 2. The board of directors shall be bipartisan and gender-
21 balanced in accordance with sections 69.16 and 69.16A and
22 shall be as geographically balanced as possible. The
23 appointing authorities in subsection 1 shall coordinate their
24 appointments to ensure that the provisions of this subsection
25 are met.

26 3. The terms of the members shall be staggered as
27 determined by vote of the board at its first meeting after
28 July 1, 1993. A vacancy shall be filled by the appointing
29 authority. Members are eligible for actual expense
30 reimbursement while fulfilling duties of the board. The board
31 shall elect a chairperson from among its members.

32 Sec. 4. Section 15E.155, subsection 9, Code 1993, is
33 amended by striking the subsection and inserting in lieu
34 thereof the following:

35 9. To perform the following duties:

- 1 a. Employ and direct staff to operate and manage the
2 foundation under the direction of the board. Foundation staff
3 shall not also be employed by a state agency or department.
- 4 b. Receive and approve an annual report of the
5 foundation's activities and fiscal condition, including:
- 6 (1) Matters relating to operations and accomplishments.
7 (2) A summary of receipts and expenditures, in accordance
8 with the classifications the board establishes for its
9 operating accounts.
- 10 (3) A summary of assets and liabilities and the status of
11 special accounts.
- 12 (4) A statement of proposed and projected activities.
13 (5) Recommendations to the general assembly.
14 (6) An identification of performance goals of the
15 foundation and the extent of progress during the reporting
16 period in attaining the goals.
- 17 c. Monitor the activities and receive copies of the annual
18 report made pursuant to section 262B.5 of the research
19 consortia located at Iowa state university of science and
20 technology, the university of Iowa, and the university of
21 northern Iowa.
- 22 d. Collect pertinent information on research in process
23 and funding requests where appropriate at Iowa state
24 university of science and technology, the university of Iowa,
25 and the university of northern Iowa for the purpose of
26 encouraging technology transfer where appropriate.
- 27 e. Carry out the duties specified in section 15E.166
28 regarding the manufacturing technology program and adopt rules
29 pursuant to chapter 17A for the monitoring and enforcement of
30 contracts awarded to community colleges to carry out the
31 purposes of the program. The foundation shall review all
32 contracts annually and may delay renewal of a contract if all
33 contractual obligations were not fulfilled during the
34 preceding year. This annual review shall not deprive the
35 foundation of any other remedy for a breach of the contract by

1 a community college.

2 Sec. 5. Section 15E.155, Code 1993, is amended by adding
3 the following new subsections:

4 NEW SUBSECTION. 17. To broker relationships furthering
5 the mission of the foundation among state board of regents
6 institutions of higher education, community colleges, and
7 private colleges and universities and private investors,
8 entrepreneurs, and executives of existing businesses.

9 NEW SUBSECTION. 18. To promote communication, inventory
10 resources, and assist in the coordination of business and
11 technology assistance activities of state board of regents
12 institutions, community colleges, and private colleges and
13 universities with the private sector, the department of
14 economic development, and local and regional economic
15 development groups.

16 Sec. 6. Section 15E.166, Code 1993, is amended to read as
17 follows:

18 15E.166 REGIONALLY BASED MANUFACTURING TECHNOLOGY PROGRAM.

19 1. Contingent on the availability of funding from sources
20 other than the general fund of the state or other state funds,
21 ~~the executive director of~~ the foundation shall contract with
22 six or more community colleges for employment of an industrial
23 technology outreach specialist to work with individual
24 industry or industrial sectors to determine company needs and
25 provide technical assistance or referral to services, or to
26 coordinate with other service providers to determine how
27 services should be accessed or provided. However, if the
28 foundation does not receive funding from other sources, the
29 ~~executive director~~ foundation shall contract with at least
30 four community colleges. The contract shall include but is
31 not limited to the following:

32 a. The establishment of an industrial technology outreach
33 program that will identify needs of individual industry or
34 industrial sectors.

35 b. Criteria for assuring access to programs and services

1 to assist individual industry or industrial sectors.

2 c. An annual budget for operation of the program and
3 activities agreed to in the contract including provisions
4 related to the transfer of funds to the community college, as
5 agreed upon by the president of the community college and the
6 ~~executive-director~~ foundation.

7 d. Performance measures for quarterly and annual
8 evaluation of the program and activities agreed to in the
9 contract. The foundation may withhold the disbursement of
10 funds for failure to achieve criteria established in the
11 contract.

12 e. The duties of the industrial technology outreach
13 specialist.

14 f. The provision of technical assistance to existing
15 individual industry or industrial sectors or nonmanufacturing
16 business regarding available technological and management
17 innovations to improve products, processes, and management
18 systems, including implementation of total quality management
19 methods.

20 2. The foundation may provide or contract for the delivery
21 of technical services to individual industry or industrial
22 sectors.

23 3. The ~~executive-director-of-the~~ foundation shall issue
24 requests for proposals to the community colleges and shall
25 select the best proposals after considering, among other
26 factors, the geographic distribution of the provision of the
27 program services to areas of the state which do not serve a
28 city with a population over twenty thousand, the number of
29 small and medium-sized industries within the community college
30 district, and the level of community college interaction with
31 those industries. Community colleges in contiguous regions
32 may submit a joint proposal.

33 Sec. 7. Section 15E.156, Code 1993, is repealed.

34 Sec. 8. The terms of the standing, appointed, and ex
35 officio members of the board of directors existing on the

1 effective date of section 3 of this Act are terminated at
2 midnight on June 30, 1993.

3 Sec. 9. Section 3 of this Act, as it applies to the
4 appointment of members of the board of directors, takes effect
5 upon enactment. The remaining sections of this Act take
6 effect on July 1, 1993.

7 EXPLANATION

8 This bill makes the following changes to the Wallace
9 technology transfer foundation:

10 1. The position of executive director is eliminated and
11 certain of the executive director's responsibilities are
12 transferred to the board of directors.

13 2. The board of directors is reconstituted with 11 voting
14 members and four nonvoting ex officio members with the
15 following membership:

16 a. One member each chosen by the state board of regents,
17 the Iowa association of community college presidents, and the
18 Iowa association of independent colleges and universities.

19 b. Eight members appointed by the governor and confirmed
20 by the senate from a statewide labor organization, production
21 agriculture, food processing, biotechnology, and advanced
22 manufacturing businesses.

23 c. Four nonvoting, ex officio members, two from the
24 majority and two from the minority parties of the general
25 assembly.

26 3. The duties of the board of directors are expanded to
27 include certain of the executive director's duties and
28 additional duties of brokering relationships furthering the
29 foundation's mission between higher education institutions and
30 private investors, entrepreneurs, and executives of existing
31 firms and coordinating the business and technology assistance
32 activities of higher education institutions with the private
33 sector, the department of economic development, and local and
34 regional economic development groups.

35 4. The terms of the existing board of directors are

1 terminated at midnight on June 30, 1993.

2 The bill also provides that the foundation, not the
3 executive director of the foundation, shall enter into
4 contracts under the regionally based manufacturing technology
5 program under section 15E.166.

6 The provisions of the bill regarding the appointment of new
7 members of the board take effect upon enactment. The
8 remainder of the bill is effective July 1, 1993.

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SENATE FILE 335

S-3270

1 Amend Senate File 335 as follows:
2 1. By striking page 1, line 28, through page 2,
3 line 10 and inserting the following:
4 "1. The board of directors of the foundation shall
5 consist of nine voting members and ten ex officio
6 nonvoting members as follows:
7 a. Nine members appointed by the governor and
8 confirmed by the senate pursuant to section 2.32. Of
9 these nine members, two shall be chosen from the three
10 names submitted by the governing bodies of the three
11 statewide labor organizations representing building
12 trades and manufacturing employees, one shall be
13 chosen from production agriculture, at least one shall
14 be chosen from a food processing business, at least
15 one shall be chosen from a biotechnology business, and
16 at least two shall be chosen from".
17 2. Page 2, line 13, by striking the words "e.
18 The following four" and inserting the following: "b.
19 The following ten".
20 3. Page 2, line 19, by inserting after the word
21 "senate" the following: ", the president, or the
22 president's designee, of the university of northern
23 Iowa, the state university of Iowa, and Iowa state
24 university, one person each, with a preference given
25 to persons with experience in manufacturing technology
26 transfer, chosen by the Iowa association of community
27 college presidents and the Iowa association of
28 independent colleges and universities, and the person
29 whose name was submitted by a statewide labor
30 organization representing building trades and
31 manufacturing employees to the governor but who was
32 not chosen by the governor to be a voting member".
33 4. Page 3, line 3, by inserting after the word
34 "department" the following: "after December 31,
35 1993".

By JIM RIORDAN
TONY BISIGNANO
LARRY MURPHY

JIM LIND
BRAD BANKS
ALLEN BORLAUG

S-3270 FILED MARCH 29, 1993
ADOPTED

WVAEL 1111

SENATE FILE 335

S-3218

- 1 Amend Senate File 335 as follows:
2 1. By striking page 1, line 34 through page 2,
3 line 1, and inserting the following:
4 "c. One member chosen by the".
5 2. Page 2, by inserting after line 2 the
6 following: "In selecting these members, a preference
7 shall be given to persons with experience in
8 manufacturing technology transfer."
9 3. Page 3, line 3, by inserting after the word
10 "department" the following: "after December 31,
11 1993".
12 4. Page 3, by striking lines 17 through 21.
By JIM RIORDAN

out of order 3/29/93
S-3218 FILED MARCH 24, 1993

SENATE FILE 335

S-3224

- 1 Amend Senate File 335 as follows:
2 1. Page 2, by striking line 10 and inserting the
3 following: "business, and at least two shall be
4 chosen from".

out of order 3/29/93 By JAMES R. RIORDAN
S-3224 FILED MARCH 24, 1993

SENATE FILE 335

S-3227

- 1 Amend Senate File 335 as follows:
2 1. Page 1, line 29, by striking the word "eleven"
3 and inserting the word "thirteen".
4 2. Page 1, by striking line 31 and inserting the
5 following:
6 a. One member each from the university of northern
7 Iowa, the state university of Iowa, and Iowa state
8 university."

out of order 3/29/93 By ALLEN BORLAUG
O. GENE MADDOX
DERRYL McLAREN
S-3227 FILED MARCH 24, 1993

SENATE FILE 335

S-3229

- 1 Amend Senate File 335 as follows:
2 1. Page 2, by striking lines 13 through 19.
By ANDY McKEAN

S-3229 FILED MARCH 24, 1993

WITHDRAWN

3/29/93

1 Section 1. Section 15E.152, unnumbered paragraph 3, Code
2 1993, is amended to read as follows:

3 The foundation consists of a board of directors, an
4 advisory council, ~~an executive director,~~ and staff.

5 Sec. 2. Section 15E.153, Code 1993, is amended to read as
6 follows:

7 15E.153 AUTHORIZED CORPORATION.

8 A Wallace technology transfer foundation of Iowa shall be
9 incorporated under chapter 504A. The foundation shall not be
10 regarded as a state agency, except for purposes of chapter
11 17A. A member of the board of directors is not considered a
12 state employee, except for purposes of chapter 669. ~~The~~
13 ~~executive director is a state employee for purposes of the~~
14 ~~Iowa public employees' retirement system, state health and~~
15 ~~dental plans, and other state employee benefits and chapter~~
16 ~~669.~~ A natural person employed by the executive director
17 foundation is a state employee for purposes of the Iowa public
18 employees' retirement system, state health and dental plans,
19 and other state employee benefits plans and chapter 669.
20 Chapters 8, 18, 19A, and 20, and other provisions of law that
21 relate to requirements or restrictions dealing with state
22 personnel or state funds do not apply to the foundation, ~~the~~
23 ~~executive director,~~ and any employees of the board or the
24 foundation, except to the extent provided in this chapter.

25 Sec. 3. Section 15E.154, Code 1993, is amended by striking
26 the section and inserting in lieu thereof the following:

27 15E.154 BOARD OF DIRECTORS.

28 1. The board of directors of the foundation shall consist
29 of nine voting members and ten ex officio nonvoting members as
30 follows:

31 a. Nine members appointed by the governor and confirmed by
32 the senate pursuant to section 2.32. Of these nine members,
33 two shall be chosen from the three names submitted by the
34 governing bodies of the three statewide labor organizations
35 representing building trades and manufacturing employees, one

1 shall be chosen from production agriculture, at least one
2 shall be chosen from a food processing business, at least one
3 shall be chosen from a biotechnology business, and at least
4 two shall be chosen from manufacturing businesses. Also, two
5 of these members shall be chosen from businesses with fewer
6 than one hundred employees.

7 b. The following ten ex officio, nonvoting members with one
8 member appointed by each of the following persons: the
9 speaker of the house of representatives, the minority leader
10 of the house of representatives, the president of the senate,
11 after consultation with the majority leader and the minority
12 leader of the senate, and the minority leader of the senate,
13 after consultation with the president of the senate, the
14 president, or the president's designee, of the university of
15 northern Iowa, the state university of Iowa, and Iowa state
16 university, one person each, with a preference given to
17 persons with experience in manufacturing technology transfer,
18 chosen by the Iowa association of community college presidents
19 and the Iowa association of independent colleges and
20 universities, and the person whose name was submitted by a
21 statewide labor organization representing building trades and
22 manufacturing employees to the governor but who was not chosen
23 by the governor to be a voting member.

24 2. The board of directors shall be bipartisan and gender-
25 balanced in accordance with sections 69.16 and 69.16A and
26 shall be as geographically balanced as possible. The
27 appointing authorities in subsection 1 shall coordinate their
28 appointments to ensure that the provisions of this subsection
29 are met.

30 3. The terms of the members shall be staggered as
31 determined by vote of the board at its first meeting after
32 July 1, 1993. A vacancy shall be filled by the appointing
33 authority. Members are eligible for actual expense
34 reimbursement while fulfilling duties of the board. The board
35 shall elect a chairperson from among its members.

1 Sec. 4. Section 15E.155, subsection 9, Code 1993, is
2 amended by striking the subsection and inserting in lieu
3 thereof the following:

4 9. To perform the following duties:

5 a. Employ and direct staff to operate and manage the
6 foundation under the direction of the board. Foundation staff
7 shall not also be employed by a state agency or department
8 after December 31, 1993.

9 b. Receive and approve an annual report of the
10 foundation's activities and fiscal condition, including:

11 (1) Matters relating to operations and accomplishments.

12 (2) A summary of receipts and expenditures, in accordance
13 with the classifications the board establishes for its
14 operating accounts.

15 (3) A summary of assets and liabilities and the status of
16 special accounts.

17 (4) A statement of proposed and projected activities.

18 (5) Recommendations to the general assembly.

19 (6) An identification of performance goals of the
20 foundation and the extent of progress during the reporting
21 period in attaining the goals.

22 c. Monitor the activities and receive copies of the annual
23 report made pursuant to section 262B.5 of the research
24 consortia located at Iowa state university of science and
25 technology, the university of Iowa, and the university of
26 northern Iowa.

27 d. Collect pertinent information on research in process
28 and funding requests where appropriate at Iowa state
29 university of science and technology, the university of Iowa,
30 and the university of northern Iowa for the purpose of
31 encouraging technology transfer where appropriate.

32 e. Carry out the duties specified in section 15E.166
33 regarding the manufacturing technology program and adopt rules
34 pursuant to chapter 17A for the monitoring and enforcement of
35 contracts awarded to community colleges to carry out the

1 purposes of the program. The foundation shall review all
2 contracts annually and may delay renewal of a contract if all
3 contractual obligations were not fulfilled during the
4 preceding year. This annual review shall not deprive the
5 foundation of any other remedy for a breach of the contract by
6 a community college.

7 Sec. 5. Section 15E.155, Code 1993, is amended by adding
8 the following new subsections:

9 NEW SUBSECTION. 17. To broker relationships furthering
10 the mission of the foundation among state board of regents
11 institutions of higher education, community colleges, and
12 private colleges and universities and private investors,
13 entrepreneurs, and executives of existing businesses.

14 NEW SUBSECTION. 18. To promote communication, inventory
15 resources, and assist in the coordination of business and
16 technology assistance activities of state board of regents
17 institutions, community colleges, and private colleges and
18 universities with the private sector, the department of
19 economic development, and local and regional economic
20 development groups.

21 Sec. 6. Section 15E.166, Code 1993, is amended to read as
22 follows:

23 15E.166 REGIONALLY BASED MANUFACTURING TECHNOLOGY PROGRAM.

24 1. Contingent on the availability of funding from sources
25 other than the general fund of the state or other state funds,
26 ~~the-executive-director-of~~ the foundation shall contract with
27 six or more community colleges for employment of an industrial
28 technology outreach specialist to work with individual
29 industry or industrial sectors to determine company needs and
30 provide technical assistance or referral to services, or to
31 coordinate with other service providers to determine how
32 services should be accessed or provided. However, if the
33 foundation does not receive funding from other sources, the
34 ~~executive-director~~ foundation shall contract with at least
35 four community colleges. The contract shall include but is

1 not limited to the following:

2 a. The establishment of an industrial technology outreach
3 program that will identify needs of individual industry or
4 industrial sectors.

5 b. Criteria for assuring access to programs and services
6 to assist individual industry or industrial sectors.

7 c. An annual budget for operation of the program and
8 activities agreed to in the contract including provisions
9 related to the transfer of funds to the community college, as
10 agreed upon by the president of the community college and the
11 ~~executive-director~~ foundation.

12 d. Performance measures for quarterly and annual
13 evaluation of the program and activities agreed to in the
14 contract. The foundation may withhold the disbursement of
15 funds for failure to achieve criteria established in the
16 contract.

17 e. The duties of the industrial technology outreach
18 specialist.

19 f. The provision of technical assistance to existing
20 individual industry or industrial sectors or nonmanufacturing
21 business regarding available technological and management
22 innovations to improve products, processes, and management
23 systems, including implementation of total quality management
24 methods.

25 2. The foundation may provide or contract for the delivery
26 of technical services to individual industry or industrial
27 sectors.

28 3. The ~~executive-director-of-the~~ foundation shall issue
29 requests for proposals to the community colleges and shall
30 select the best proposals after considering, among other
31 factors, the geographic distribution of the provision of the
32 program services to areas of the state which do not serve a
33 city with a population over twenty thousand, the number of
34 small and medium-sized industries within the community college
35 district, and the level of community college interaction with

1 those industries. Community colleges in contiguous regions
2 may submit a joint proposal.

3 Sec. 7. Section 15E.156, Code 1993, is repealed.

4 Sec. 8. The terms of the standing, appointed, and ex
5 officio members of the board of directors existing on the
6 effective date of section 3 of this Act are terminated at
7 midnight on June 30, 1993.

8 Sec. 9. Section 3 of this Act, as it applies to the
9 appointment of members of the board of directors, takes effect
10 upon enactment. The remaining sections of this Act take
11 effect on July 1, 1993.

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H3784

SENATE FILE 335

384

- Amend Senate File 335, as amended, passed, and reprinted by the Senate, as follows:
1. Page 1, line 29, by striking the word "ten" and inserting the following: "nine".
 2. Page 1, line 32, by inserting after the figure "2.32" the following: "for the terms determined by the board at its first meeting which shall not exceed three years".
 3. Page 2, line 7, by striking the word "ten" and inserting the following: "nine".
 4. Page 2, by striking lines 20 through 23 and inserting the following: "universities."
 5. Page 3, line 8, by striking the word and figures "December 31, 1993" and inserting the following: "June 30, 1994".
 6. Page 3, by striking lines 22 through 26.
 7. By renumbering and relettering as necessary.

By COMMITTEE ON SMALL BUSINESS,
ECONOMIC DEVELOPMENT AND TRADE
HALVORSON of Clayton, Chairperson

H-3784 FILED APRIL 7, 1993

Adopted
4/20/93
(P. 1426)

HOUSE AMENDMENT TO
SENATE FILE 335

S-3543

- Amend Senate File 335, as amended, passed, and reprinted by the Senate, as follows:
1. Page 1, line 29, by striking the word "ten" and inserting the following: "nine".
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 5. Page 3, line 8, by striking the word and figures "December 31, 1993" and inserting the following: "June 30, 1994".
 6. Page 3, by striking lines 22 through 26.
 7. By renumbering and relettering as necessary.

RECEIVED FROM THE HOUSE

S-3543 FILED APRIL 20, 1993

Senate Concurred 4/21/93 (P. 1260)

RIORDAN, CH.
BISIGNANO
VILSACK
BORLAUG
BARTZ

SSB 239
SMALL BUSINESS/ECONOMIC
DEVELOPMENT/TOURISM

SENATE FILE 335

BY (PROPOSED COMMITTEE ON SMALL
BUSINESS, ECONOMIC DEVELOP-
MENT AND TOURISM BILL BY
CHAIRPERSON RIORDAN)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the Wallace technology transfer foundation and
2 providing an effective date.

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

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20 Chapters 8, 18, 19A, and 20, and other provisions of law that
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31 a. One member chosen by the state board of regents.

32 b. One member chosen by the Iowa association of community
33 college presidents.

34 c. One member who serves on the governing body of a
35 private college or university and who is involved in

1 manufacturing, biotechnology, or food processing chosen by the
2 Iowa association of independent colleges and universities.

3 d. Two members from a statewide labor organization, one to
4 be chosen from a building trades organization and one to be
5 chosen from a manufacturing workers organization.

6 e. Six members appointed by the governor and confirmed by
7 the senate pursuant to section 2.32. Of these six members, at
8 least one shall be chosen from the food processing business,
9 at least one shall be chosen from a biotechnology business,
10 and at least three shall be chosen from advanced manufacturing
11 businesses. Also, two of these members shall be chosen from
12 businesses with fewer than one hundred employees.

13 f. The following four ex officio, nonvoting members with
14 one member appointed by each of the following persons: the
15 speaker of the house of representatives, the minority leader
16 of the house of representatives, the president of the senate,
17 after consultation with the majority leader and the minority
18 leader of the senate, and the minority leader of the senate,
19 after consultation with the president of the senate.

20 2. The board of directors shall be bipartisan and gender-
21 balanced in accordance with sections 69.16 and 69.16A and
22 shall be as geographically balanced as possible. The
23 appointing authorities in subsection 1 shall coordinate their
24 appointments to ensure that the provisions of this subsection
25 are met.

26 3. The terms of the members shall be staggered as
27 determined by vote of the board at its first meeting after
28 July 1, 1993. A vacancy shall be filled by the appointing
29 authority. Members are eligible for actual expense
30 reimbursement while fulfilling duties of the board. The board
31 shall elect a chairperson from among its members.

32 Sec. 4. Section 15E.155, subsection 9, Code 1993, is
33 amended by striking the subsection and inserting in lieu
34 thereof the following:

35 9. To perform the following duties:

1 a. Manage and operate the foundation, including employing
2 and directing foundation staff to oversee the day-to-day
3 management of the foundation.

4 b. Receive and approve an annual report of the
5 foundation's activities and fiscal condition, including:

6 (1) Matters relating to operations and accomplishments.

7 (2) A summary of receipts and expenditures, in accordance
8 with the classifications the board establishes for its
9 operating accounts.

10 (3) A summary of assets and liabilities and the status of
11 special accounts.

12 (4) A statement of proposed and projected activities.

13 (5) Recommendations to the general assembly.

14 (6) An identification of performance goals of the
15 foundation and the extent of progress during the reporting
16 period in attaining the goals.

17 c. Monitor the activities and receive copies of the annual
18 report made pursuant to section 262B.5 of the research
19 consortia located at Iowa state university of science and
20 technology, the university of Iowa, and the university of
21 northern Iowa.

22 d. Collect pertinent information on research in process
23 and funding requests where appropriate at Iowa state
24 university of science and technology, the university of Iowa,
25 and the university of northern Iowa for the purpose of
26 encouraging technology transfer where appropriate.

27 e. Carry out the duties specified in section 15E.166
28 regarding the manufacturing technology program and adopt rules
29 pursuant to chapter 17A for the monitoring and enforcement of
30 contracts awarded to community colleges to carry out the
31 purposes of the program. The foundation may withhold the
32 disbursement of funds for failure to comply with the elements
33 required to be included in the contracts.

34 Sec. 5. Section 15E.155, Code 1993, is amended by adding
35 the following new subsections:

1 NEW SUBSECTION. 17. To broker relationships furthering
2 the mission or the foundation between state board of regents
3 institutions of higher education, community colleges, and
4 private colleges and universities and private investors,
5 entrepreneurs, and executives of existing businesses.

6 NEW SUBSECTION. 18. To coordinate business and technology
7 recruitment activities of state board of regents institutions,
8 community colleges, and private colleges and universities with
9 the private sector, the department of economic development,
10 and local and regional economic development groups.

11 Sec. 6. Section 15E.166, Code 1993, is amended to read as
12 follows:

13 15E.166 REGIONALLY BASED MANUFACTURING TECHNOLOGY PROGRAM.

14 1. Contingent on the availability of funding from sources
15 other than the general fund of the state or other state funds,
16 ~~the-executive-director-of~~ the foundation shall contract with
17 six or more community colleges for employment of an industrial
18 technology outreach specialist to work with individual
19 industry or industrial sectors to determine company needs and
20 provide technical assistance or referral to services, or to
21 coordinate with other service providers to determine how
22 services should be accessed or provided. However, if the
23 foundation does not receive funding from other sources, the
24 ~~executive-director~~ foundation shall contract with at least
25 four community colleges. The contract shall include but is
26 not limited to the following:

27 a. The establishment of an industrial technology outreach
28 program that will identify needs of individual industry or
29 industrial sectors.

30 b. Criteria for assuring access to programs and services
31 to assist individual industry or industrial sectors.

32 c. An annual budget for operation of the program and
33 activities agreed to in the contract including provisions
34 related to the transfer of funds to the community college, as
35 agreed upon by the president of the community college and the

1 ~~executive-director~~ foundation.

2 d. Performance measures for quarterly and annual
3 evaluation of the program and activities agreed to in the
4 contract. The foundation may withhold the disbursement of
5 funds for failure to achieve criteria established in the
6 contract.

7 e. The duties of the industrial technology outreach
8 specialist.

9 f. The provision of technical assistance to existing
10 individual industry or industrial sectors or nonmanufacturing
11 business regarding available technological and management
12 innovations to improve products, processes, and management
13 systems, including implementation of total quality management
14 methods.

15 2. The foundation may provide or contract for the delivery
16 of technical services to individual industry or industrial
17 sectors.

18 3. The ~~executive-director-of-the~~ foundation shall issue
19 requests for proposals to the community colleges and shall
20 select the best proposals after considering, among other
21 factors, the geographic distribution of the provision of the
22 program services to areas of the state which do not serve a
23 city with a population over twenty thousand, the number of
24 small and medium-sized industries within the community college
25 district, and the level of community college interaction with
26 those industries. Community colleges in contiguous regions
27 may submit a joint proposal.

28 Sec. 7. Section 15E.156, Code 1993, is repealed.

29 Sec. 8. The terms of the standing, appointed, and ex
30 officio members of the board of directors existing on the
31 effective date of section 3 of this Act are terminated at
32 midnight on June 30, 1993.

33 Sec. 9. Section 3 of this Act, as it applies to the
34 appointment of members of the board of directors, takes effect
35 upon enactment. The remaining sections of this Act take

1 effect on July 1, 1993.

2 EXPLANATION

3 This bill makes the following changes to the Wallace
4 technology transfer foundation:

5 1. The position of executive director is eliminated and
6 certain of the executive director's responsibilities are
7 transferred to the board of directors.

8 2. The board of directors is reconstituted with 11 voting
9 members and four nonvoting ex officio members with the
10 following membership:

11 a. One member each chosen by the state board of regents,
12 the Iowa association of community college presidents, and the
13 Iowa association of independent colleges and universities.

14 b. Two members from statewide labor organizations
15 representing the building trades and manufacturing.

16 c. Six members appointed by the governor and confirmed by
17 the senate from food processing, biotechnology, and advanced
18 manufacturing businesses.

19 d. Four nonvoting, ex officio members, two from the
20 majority and two from the minority parties of the general
21 assembly.

22 3. The duties of the board of directors are expanded to
23 include certain of the executive director's duties and
24 additional duties of brokering relationships furthering the
25 foundation's mission between higher education institutions and
26 private investors, entrepreneurs, and executives of existing
27 firms and coordinating the business and technology recruitment
28 activities of higher education institutions with the private
29 sector, the department of economic development, and local and
30 regional economic development groups.

31 4. The terms of the existing board of directors are
32 terminated at midnight on June 30, 1993.

33 The bill also provides that the foundation, not the
34 executive director of the foundation, shall enter into
35 contracts under the regionally based manufacturing technology

1 program under section 15E.166.

2 The provisions of the bill regarding the appointment of new
3 members of the board take effect upon enactment. The
4 remainder of the bill is effective July 1, 1993.

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SENATE FILE 335

AN ACT

RELATING TO THE WALLACE TECHNOLOGY TRANSFER FOUNDATION AND PROVIDING AN EFFECTIVE DATE.

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

Section 1. Section 15E.152, unnumbered paragraph 3, Code 1993, is amended to read as follows:

The foundation consists of a board of directors, an advisory council, ~~an executive director,~~ and staff.

Sec. 2. Section 15E.153, Code 1993, is amended to read as follows:

15E.153 AUTHORIZED CORPORATION.

A Wallace technology transfer foundation of Iowa shall be incorporated under chapter 504A. The foundation shall not be regarded as a state agency, except for purposes of chapter 17A. A member of the board of directors is not considered a state employee, except for purposes of chapter 669. ~~The executive director is a state employee for purposes of the Iowa public employees' retirement system, state health and dental plans, and other state employee benefits and chapter 669.~~ A natural person employed by the ~~executive director~~ foundation is a state employee for purposes of the Iowa public employees' retirement system, state health and dental plans, and other state employee benefits plans and chapter 669. Chapters 8, 18, 19A, and 20, and other provisions of law that relate to requirements or restrictions dealing with state personnel or state funds do not apply to the foundation, the ~~executive director,~~ and any employees of the board or the foundation, except to the extent provided in this chapter.

Sec. 3. Section 15E.154, Code 1993, is amended by striking the section and inserting in lieu thereof the following:

15E.154 BOARD OF DIRECTORS.

1. The board of directors of the foundation shall consist of nine voting members and nine ex officio nonvoting members as follows:

a. Nine members appointed by the governor and confirmed by the senate pursuant to section 2.32 for the terms determined by the board at its first meeting which shall not exceed three years. Of these nine members, two shall be chosen from the three names submitted by the governing bodies of the three statewide labor organizations representing building trades and manufacturing employees, one shall be chosen from production agriculture, at least one shall be chosen from a food processing business, at least one shall be chosen from a biotechnology business, and at least two shall be chosen from manufacturing businesses. Also, two of these members shall be chosen from businesses with fewer than one hundred employees.

b. The following nine ex officio, nonvoting members with one member appointed by each of the following persons: the speaker of the house of representatives, the minority leader of the house of representatives, the president of the senate, after consultation with the majority leader and the minority leader of the senate, and the minority leader of the senate, after consultation with the president of the senate, the president, or the president's designee, of the university of northern Iowa, the state university of Iowa, and Iowa state university, one person each, with a preference given to persons with experience in manufacturing technology transfer, chosen by the Iowa association of community college presidents and the Iowa association of independent colleges and universities.

2. The board of directors shall be bipartisan and gender-balanced in accordance with sections 69.16 and 69.16A and shall be as geographically balanced as possible. The appointing authorities in subsection 1 shall coordinate their appointments to ensure that the provisions of this subsection are met.

3. The terms of the members shall be staggered as determined by vote of the board at its first meeting after

July 1, 1993. A vacancy shall be filled by the appointing authority. Members are eligible for actual expense reimbursement while fulfilling duties of the board. The board shall elect a chairperson from among its members.

Sec. 4. Section 15E.155, subsection 9, Code 1993, is amended by striking the subsection and inserting in lieu thereof the following:

9. To perform the following duties:

a. Employ and direct staff to operate and manage the foundation under the direction of the board. Foundation staff shall not also be employed by a state agency or department after June 30, 1994.

b. Receive and approve an annual report of the foundation's activities and fiscal condition, including:

- (1) Matters relating to operations and accomplishments.
- (2) A summary of receipts and expenditures, in accordance with the classifications the board establishes for its operating accounts.
- (3) A summary of assets and liabilities and the status of special accounts.
- (4) A statement of proposed and projected activities.
- (5) Recommendations to the general assembly.
- (6) An identification of performance goals of the foundation and the extent of progress during the reporting period in attaining the goals.

c. Collect pertinent information on research in process and funding requests where appropriate at Iowa state university of science and technology, the university of Iowa, and the university of northern Iowa for the purpose of encouraging technology transfer where appropriate.

d. Carry out the duties specified in section 15E.166 regarding the manufacturing technology program and adopt rules pursuant to chapter 17A for the monitoring and enforcement of contracts awarded to community colleges to carry out the purposes of the program. The foundation shall review all contracts annually and may delay renewal of a contract if all contractual obligations were not fulfilled during the

preceding year. This annual review shall not deprive the foundation of any other remedy for a breach of the contract by a community college.

Sec. 5. Section 15E.155, Code 1993, is amended by adding the following new subsections:

NEW SUBSECTION. 17. To broker relationships furthering the mission of the foundation among state board of regents institutions of higher education, community colleges, and private colleges and universities and private investors, entrepreneurs, and executives of existing businesses.

NEW SUBSECTION. 18. To promote communication, inventory resources, and assist in the coordination of business and technology assistance activities of state board of regents institutions, community colleges, and private colleges and universities with the private sector, the department of economic development, and local and regional economic development groups.

Sec. 6. Section 15E.166, Code 1993, is amended to read as follows:

15E.166 REGIONALLY BASED MANUFACTURING TECHNOLOGY PROGRAM.

1. Contingent on the availability of funding from sources other than the general fund of the state or other state funds, ~~the executive-director of~~ the foundation shall contract with six or more community colleges for employment of an industrial technology outreach specialist to work with individual industry or industrial sectors to determine company needs and provide technical assistance or referral to services, or to coordinate with other service providers to determine how services should be accessed or provided. However, if the foundation does not receive funding from other sources, the ~~executive-director~~ foundation shall contract with at least four community colleges. The contract shall include but is not limited to the following:

a. The establishment of an industrial technology outreach program that will identify needs of individual industry or industrial sectors.

b. Criteria for assuring access to programs and services to assist individual industry or industrial sectors.

c. An annual budget for operation of the program and activities agreed to in the contract including provisions related to the transfer of funds to the community college, as agreed upon by the president of the community college and the executive-director foundation.

d. Performance measures for quarterly and annual evaluation of the program and activities agreed to in the contract. The foundation may withhold the disbursement of funds for failure to achieve criteria established in the contract.

e. The duties of the industrial technology outreach specialist.

f. The provision of technical assistance to existing individual industry or industrial sectors or nonmanufacturing business regarding available technological and management innovations to improve products, processes, and management systems, including implementation of total quality management methods.

2. The foundation may provide or contract for the delivery of technical services to individual industry or industrial sectors.

3. The ~~executive-director-of-the~~ foundation shall issue requests for proposals to the community colleges and shall select the best proposals after considering, among other factors, the geographic distribution of the provision of the program services to areas of the state which do not serve a city with a population over twenty thousand, the number of small and medium-sized industries within the community college district, and the level of community college interaction with those industries. Community colleges in contiguous regions may submit a joint proposal.

Sec. 7. Section 15E.156, Code 1993, is repealed.

Sec. 8. The terms of the standing, appointed, and ex officio members of the board of directors existing on the effective date of section 3 of this Act are terminated at midnight on June 30, 1993.

Sec. 9. Section 3 of this Act, as it applies to the appointment of members of the board of directors, takes effect upon enactment. The remaining sections of this Act take effect on July 1, 1993.

LEONARD L. BOSWELL
President of the Senate

HAROLD VAN MAANEN
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 335, Seventy-fifth General Assembly.

JOHN F. DWYER
Secretary of the Senate

Approved *April 27*, 1993

TERRY E. BRANSTAD
Governor