

2/26/02 Amend/Do Pass  
w/ H. 8094

REPRINTED

FEB 4 2002

ECONOMIC DEVELOPMENT

HOUSE FILE 2202

BY LARSON

(P. 769)

Passed House, Date 3-13-02 Passed Senate, Date \_\_\_\_\_

Vote: Ayes 94 Nays 0 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

A BILL FOR

1 An Act establishing an economic development commission.

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

- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

HF 2202

1 Section 1. Section 15.104, subsections 1, 2, and 7, Code  
2 Supplement 2001, are amended to read as follows:

3 ~~1.--Prepare-a-three-year-comprehensive-strategic-plan-of~~  
4 ~~specific-goals,objectives,and-policies-for-state-economic~~  
5 ~~growth.--All-other-state-agencies-involved-in-economic~~  
6 ~~development-activities-shall-annually-submit-to-the-board-for~~  
7 ~~its-review-and-potential-inclusion-in-the-strategic-plan-their~~  
8 ~~specific-strategic-plans-and-programs.--The-three-year~~  
9 ~~strategic-plan-for-state-economic-growth-shall-be-updated~~  
10 ~~annually.~~

11 ~~2.--Develop-a-method-of-evaluation-of-the-attainment-of~~  
12 ~~goals-and-objectives-from-pursuing-the-policies-of-the-three-~~  
13 ~~year-plan.~~

14 7. Review grants or contracts awarded by the department,  
15 with respect to the department's adherence to the guidelines  
16 and procedures and the impact on the three-year strategic plan  
17 for-economic-growth planning developed by the economic  
18 development commission.

19 Sec. 2. Section 15.105, Code 2001, is amended to read as  
20 follows:

21 15.105 DEPARTMENT OF ECONOMIC DEVELOPMENT -- DIRECTOR.

22 The Iowa department of economic development is created.  
23 The department shall be administered by a director who shall  
24 be appointed by the ~~governor-subject-to-confirmation-by-the~~  
25 ~~senate-and-shall-serve-at-the-pleasure-of-the-governor~~  
26 economic development commission. The director shall not serve  
27 as a member of the commission. The director of the department  
28 shall serve at the pleasure of the commission. If the office  
29 of the director becomes vacant, the vacancy shall be filled in  
30 the same manner as provided for the original appointment.

31 Sec. 3. Section 15.106, subsection 8, Code Supplement  
32 2001, is amended by striking the subsection.

33 Sec. 4. NEW SECTION. 15.102A ECONOMIC DEVELOPMENT  
34 COMMISSION.

35 1. An economic development commission is established

1 consisting of at least fifteen, but not more than twenty-one,  
2 members appointed by the governor and subject to confirmation  
3 by the senate. The members shall consist of a cross section  
4 of persons with expertise in business and economic  
5 development. At least a majority of commission members shall  
6 consist of business owners or senior-level decision makers of  
7 businesses representing a cross section of state economy  
8 experts, local economic development developers, and presidents  
9 of public and private colleges and universities. A commission  
10 member shall not permit a designee to attend a meeting of the  
11 commission on behalf of the member or act on behalf of the  
12 commission member. The governor, or a designated  
13 representative of the governor, shall serve as an additional  
14 member of the commission in an ex officio, nonvoting capacity.  
15 The members of the commission shall elect one member of the  
16 commission to serve as chairperson for a one-year term.

17 Members of the commission shall serve three-year staggered  
18 terms as designated by the governor and appointments to the  
19 commission are subject to the requirements of sections 69.16,  
20 69.16A, and 69.19. A member shall not serve more than a total  
21 of two terms. Vacancies shall be filled by the governor for  
22 the duration of the unexpired term. Members of the commission  
23 shall be reimbursed for all actual and necessary expenses  
24 incurred in the performance of duties as members. Meetings of  
25 the commission shall be held at the call of the chairperson of  
26 the commission.

27 2. The commission shall do all of the following:

28 a. Appoint the director of the department of economic  
29 development.

30 b. Provide direction to the department of economic  
31 development, the director, and the Iowa economic development  
32 board.

33 c. Develop a strategic plan for economic development in  
34 the state and set accountability standards, measurements, and  
35 benchmarks to evaluate the effectiveness of the department in

1 implementing the strategic plan.

2 EXPLANATION

3 This bill establishes an economic development commission  
 4 consisting of at least 15 but not more than 21 members  
 5 appointed by the governor and confirmed by the senate. The  
 6 bill provides that the members shall consist of a cross  
 7 section of persons with expertise in business and economic  
 8 development. The bill provides that at least a majority of  
 9 the commission members shall consist of business owners or  
 10 senior-level decision makers of businesses representing a  
 11 cross section of state economy experts, local economic  
 12 development developers, and presidents of public and private  
 13 colleges and universities. The bill provides that a  
 14 commission member shall not permit a designee to attend a  
 15 meeting of the commission on behalf of the member or act on  
 16 behalf of the commission member. The bill provides that the  
 17 governor, or a designated representative of the governor,  
 18 shall serve as an ex officio, nonvoting member of the  
 19 commission. The bill provides that members of the commission  
 20 shall elect one member of the commission to serve as  
 21 chairperson for a one-year term.

22 The bill provides that the commission shall appoint the  
 23 director of the department of economic development; provide  
 24 direction to the department of economic development, the  
 25 director, and the Iowa economic development board; and develop  
 26 a strategic plan for economic development in the state and set  
 27 accountability standards, measurements, and benchmarks to  
 28 evaluate the effectiveness of the department in implementing  
 29 the strategic plan.

30 The bill provides that the director of the department of  
 31 economic development shall serve at the pleasure of the  
 32 commission and shall not serve as a member of the commission.

33  
 34  
 35

HOUSE FILE 2202

H-8094

- 1 Amend House File 2202 as follows:  
2 1. Page 1, line 18, by striking the word  
3 "commission" and inserting the following: "council".  
4 2. Page 1, by striking lines 19 through 30.  
5 3. Page 1, line 34, by striking the word  
6 "COMMISSION" and inserting the following: "COUNCIL".  
7 4. Page 1, by inserting after line 34 the  
8 following:  
9 "0A. The purpose of this section is to establish  
10 an economic development council which shall develop  
11 and implement a strategic plan which sets  
12 accountability standards, measurements, and benchmarks  
13 to evaluate the effectiveness of the department in  
14 implementing the strategic plan."  
15 5. Page 1, line 35, by striking the word  
16 "commission" and inserting the following: "council".  
17 6. Page 2, line 5, by striking the word  
18 "commission" and inserting the following: "council".  
19 7. Page 2, by striking lines 7 and 8 and  
20 inserting the following: "businesses representing a  
21 cross section of the state economy. The remaining  
22 members shall include representatives of local  
23 economic development developers, presidents".  
24 8. Page 2, line 9, by inserting after the word  
25 "universities" the following: ", organized labor, and  
26 community colleges".  
27 9. Page 2, line 9, by striking the word  
28 "commission" and inserting the following: "council".  
29 10. Page 2, line 11, by striking the word  
30 "commission" and inserting the following: "council".  
31 11. Page 2, line 12, by striking the word  
32 "commission" and inserting the following: "council".  
33 12. Page 2, line 14, by striking the word  
34 "commission" and inserting the following: "council".  
35 13. Page 2, by striking lines 15 and 16 and  
36 inserting the following: "The members of the council  
37 shall select a chairperson for a one-year term."  
38 14. Page 2, line 17, by striking the word  
39 "commission" and inserting the following: "council".  
40 15. Page 2, line 19, by striking the word  
41 "commission" and inserting the following: "council".  
42 16. Page 2, line 22, by striking the word  
43 "commission" and inserting the following: "council".  
44 17. Page 2, line 25, by striking the word  
45 "commission" and inserting the following: "council".  
46 18. Page 2, line 25, by inserting after the word  
47 "held" the following: "quarterly".  
48 19. Page 2, line 26, by striking the word  
49 "commission" and inserting the following: "council".  
50 20. Page 2, line 27, by striking the word

H-8094

**H-8094**

Page 2

1 "commission" and inserting the following: "council".  
2 21. Page 2, by striking lines 28 and 29.  
3 22. Page 3, line 1, by inserting after the word  
4 "plan." the following: "In preparing the strategic  
5 plan, the council shall consider all of the following  
6 economic foundation issues:  
7 (1) Skilled and adaptable human resources.  
8 (2) Access to technologies on which new products  
9 and processes are based.  
10 (3) Availability of financial capital to support  
11 new ventures, expansion of existing companies, and  
12 reinvestment in transition industries.  
13 (4) Support of advanced physical infrastructure  
14 for transportation, communications, energy and water,  
15 and waste handling.  
16 (5) A review of the regulatory and taxation  
17 environment and business climate resulting in  
18 recommendations to balance competitiveness.  
19 3. The council shall annually submit a written  
20 report to the governor and the general assembly  
21 concerning the strategic plan and the performance  
22 results. Copies of status reports under any  
23 performance agreement with the department or other  
24 public entity shall be provided to the governor and  
25 the general assembly."  
26 23. Title page, line 1, by striking the word  
27 "commission" and inserting the following: "council".  
28 24. By renumbering, redesignating, and correcting  
29 internal references as necessary.

**By** COMMITTEE ON ECONOMIC DEVELOPMENT  
CORMACK of Webster, Chairperson

**H-8094** FILED FEBRUARY 26, 2002

*Adopted*  
*2-13-02*

*(p. 768)*

HOUSE FILE 2202

H-8267

1 Amend the amendment, H-8094, to House File 2202 as  
2 follows:

3 1. Page 1, by inserting after line 1 the  
4 following:

5 "\_\_\_\_\_. Page 1, line 3, by striking the figure  
6 "1-", and inserting the following: "1."

7 \_\_\_\_\_. Page 1, line 10, by inserting after the word  
8 "~~annually.~~" the following: "Review and adopt a  
9 strategic plan, including specific goals, objectives,  
10 and policies for state economic growth, submitted to  
11 the board pursuant to section 15.102A."

12 2. Page 2, by striking line 2 and inserting the  
13 following:

14 "\_\_\_\_\_. Page 2, by striking lines 28 and 29 and  
15 inserting the following:

16 "\_\_\_\_\_. Lead efforts to improve Iowa's competitive  
17 position and business climate.

18 \_\_\_\_\_. Facilitate activities designed to strengthen  
19 relationships and advocate collaboration among Iowa  
20 research institutions and other economic development  
21 organizations and service providers.

22 \_\_\_\_\_. Develop collaborative projects."

23 \_\_\_\_\_. Page 2, by striking line 35 and inserting  
24 the following: "benchmarks by which to evaluate the  
25 effectiveness of the strategic plan as well as  
26 evaluating the department's performance in"."

27 3. Page 2, line 4, by inserting before the word  
28 "In" the following: "The council shall submit the  
29 strategic plan to the Iowa economic development board  
30 for review and adoption."

31 4. By renumbering, relettering, and redesignating  
32 as necessary.

By CORMACK of Webster

H-8267 FILED MARCH 12, 2002

*Adopted*  
*3-13-02*  
*(P. 768)*

S-3/13/02 *Small business*  
S-3/14/02 *Do Pass*  
S-3/21/02 UNFINISHED BUSINESS CALENDAR

HOUSE FILE 2202  
BY LARSON

(As Amended and Passed by the House March 13, 2002)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act establishing an economic development council.  
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23

House Amendments \_\_\_\_\_  
Deleted Language \*

1 Section 1. Section 15.104, subsections 1, 2, and 7, Code  
2 Supplement 2001, are amended to read as follows:

3 1. -Prepare-a-three-year-comprehensive-strategic-plan-of  
4 specific-goals, objectives, and policies for state economic  
5 growth. --All other state agencies involved in economic  
6 development activities shall annually submit to the board for  
7 its review and potential inclusion in the strategic plan their  
8 specific strategic plans and programs. --The three-year  
9 strategic plan for state economic growth shall be updated  
10 annually. Review and adopt a strategic plan, including  
11 specific goals, objectives, and policies for state economic  
12 growth, submitted to the board pursuant to section 15.102A.

13 2. --Develop a method of evaluation of the attainment of  
14 goals and objectives from pursuing the policies of the three-  
15 year plan.

16 7. Review grants or contracts awarded by the department,  
17 with respect to the department's adherence to the guidelines  
18 and procedures and the impact on the three-year strategic plan  
19 for economic growth planning developed by the economic  
20 development council.

\*21 Sec. 2. Section 15.106, subsection 8, Code Supplement  
22 2001, is amended by striking the subsection.

23 Sec. 3. NEW SECTION. 15.102A ECONOMIC DEVELOPMENT  
24 COUNCIL.

25 0A. The purpose of this section is to establish an  
26 economic development council which shall develop and implement  
27 a strategic plan which sets accountability standards,  
28 measurements, and benchmarks to evaluate the effectiveness of  
29 the department in implementing the strategic plan.

30 1. An economic development council is established  
31 consisting of at least fifteen, but not more than twenty-one,  
32 members appointed by the governor and subject to confirmation  
33 by the senate. The members shall consist of a cross section  
34 of persons with expertise in business and economic  
35 development. At least a majority of council members shall

1 consist of business owners or senior-level decision makers of  
2 businesses representing a cross section of the state economy.  
3 The remaining members shall include representatives of local  
4 economic development developers, presidents of public and  
5 private colleges and universities, organized labor, and  
6 community colleges. A council member shall not permit a  
7 designee to attend a meeting of the council on behalf of the  
8 member or act on behalf of the council member. The governor,  
9 or a designated representative of the governor, shall serve as  
10 an additional member of the council in an ex officio,  
11 nonvoting capacity. The members of the council shall select a  
12 chairperson for a one-year term. Members of the council shall  
13 serve three-year staggered terms as designated by the governor  
14 and appointments to the council are subject to the  
15 requirements of sections 69.16, 69.16A, and 69.19. A member  
16 shall not serve more than a total of two terms. Vacancies  
17 shall be filled by the governor for the duration of the  
18 unexpired term. Members of the council shall be reimbursed  
19 for all actual and necessary expenses incurred in the  
20 performance of duties as members. Meetings of the council  
21 shall be held quarterly at the call of the chairperson of the  
22 council.

23 2. The council shall do all of the following:

\* 24 a. Lead efforts to improve Iowa's competitive position and  
25 business climate.

26 b. Facilitate activities designed to strengthen  
27 relationships and advocate collaboration among Iowa research  
28 institutions and other economic development organizations and  
29 service providers.

30 c. Develop collaborative projects.

31 d. Provide direction to the department of economic  
32 development, the director, and the Iowa economic development  
33 board.

34 e. Develop a strategic plan for economic development in  
35 the state and set accountability standards, measurements, and

1 benchmarks by which to evaluate the effectiveness of the  
2 strategic plan as well as evaluating the department's  
3 performance in implementing the strategic plan. The council  
4 shall submit the strategic plan to the Iowa economic  
5 development board for review and adoption. In preparing the  
6 strategic plan, the council shall consider all of the  
7 following economic foundation issues:

8 (1) Skilled and adaptable human resources.

9 (2) Access to technologies on which new products and  
10 processes are based.

11 (3) Availability of financial capital to support new  
12 ventures, expansion of existing companies, and reinvestment in  
13 transition industries.

14 (4) Support of advanced physical infrastructure for  
15 transportation, communications, energy and water, and waste  
16 handling.

17 (5) A review of the regulatory and taxation environment  
18 and business climate resulting in recommendations to balance  
19 competitiveness.

20 3. The council shall annually submit a written report to  
21 the governor and the general assembly concerning the strategic  
22 plan and the performance results. Copies of status reports  
23 under any performance agreement with the department or other  
24 public entity shall be provided to the governor and the  
25 general assembly.

26  
27  
28  
29  
30  
31  
32  
33  
34  
35