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SENATE FILE 455

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BLACK, and GRONSTAL

Passed Senate, Date _____ Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act establishing a new economy council.

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

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SF 455
SMALL BUS., ECON. DEV. & TOUR.

1 Section 1. NEW SECTION. 15E.41 SHORT TITLE.

2 This division shall be known and may be cited as the "Iowa
3 New Economy Act".

4 Sec. 2. NEW SECTION. 15E.42 DEFINITIONS.

5 As used in this division, unless the context otherwise
6 requires:

7 1. "Board" means the Iowa economic development board
8 created in section 15.103.

9 2. "Department" means the Iowa department of economic
10 development created in chapter 15.

11 3. "Industry cluster" means a group of companies that
12 operate in the same or a related field, are linked by buyer-
13 seller relationships, common customers, or other
14 relationships, and rely on an active set of relationships
15 among themselves for individual efficiency and
16 competitiveness.

17 Sec. 3. NEW SECTION. 15E.43 IOWA NEW ECONOMY COUNCIL.

18 1. An Iowa new economy council is created. Except as
19 provided in subsection 5, the council shall initially consist
20 of ten senior level decision makers and five ex officio,
21 nonvoting members. With the exception of paragraphs "c" and
22 "f", the ten senior level decision makers serving on the
23 council shall be appointed by the governor and include the
24 following:

25 a. Two representatives of the business community
26 representing different size businesses from different
27 geographic areas of the state.

28 b. One representative from each of the Iowa leadership
29 councils established in section 15E.45.

30 c. One president, or the president's designee, of the
31 university of Iowa, the university of northern Iowa, or Iowa
32 state university of science and technology designated by the
33 state board of regents on a rotating basis.

34 d. One representative of the community college system.

35 e. One representative of a labor union.

1 f. The director of the department of economic development,
2 or the director's designee.

3 g. A person who is employed with the department of
4 economic development and is an expert on science and
5 technology issues.

6 2. The ex officio members of the council shall include the
7 following:

8 a. One representative of the primary and secondary
9 educational system appointed by the governor.

10 b. The president of the senate, or the president's
11 designee.

12 c. The senate minority leader, or the minority leader's
13 designee.

14 d. The speaker of the house of representatives, or the
15 speaker's designee.

16 e. The house minority leader, or the minority leader's
17 designee.

18 3. The initial appointments required under subsection 1,
19 paragraph "b", shall be made after the Iowa leadership
20 councils are established pursuant to section 15E.45.

21 4. The council shall annually elect a chairperson from
22 among its members.

23 5. If more than three industry leadership councils are
24 created pursuant to section 15E.45, the voting membership of
25 the council shall be expanded to allow one representative of
26 each industry leadership council to serve on the council.

27 Sec. 4. NEW SECTION. 15E.44 STRATEGIC FOCUS AND
28 ACTIVITIES.

29 1. The focus of the Iowa new economy council shall be to
30 develop a three-year strategic plan with an annual operating
31 plan to support and strengthen the competitiveness of Iowa
32 businesses within each industry cluster. The council shall
33 share the council's strategic plan with the board for the
34 purpose of the board's consideration in developing its own
35 strategic plan for the department. At a minimum, the council

1 shall address all of the following in the council's strategic
2 plan:

3 a. Developing collaborative industry-led projects in each
4 identified industry cluster.

5 b. Leading efforts to improve Iowa's competitive position
6 in each industry cluster.

7 c. Facilitating activities designed to strengthen
8 relationships and advocate collaboration among Iowa research
9 institutions and Iowa's technology intensive businesses.

10 2. The Iowa new economy council shall develop and
11 implement activities addressing all of the following issues:

12 a. Skilled and adaptable human resources.

13 b. Access to technology on which new products and
14 processes are based.

15 c. Availability of financial capital to support new
16 ventures, expansion of existing companies, and reinvestment in
17 transition industries.

18 d. Support of advanced physical infrastructure for
19 transportation, communications, energy and water, and waste
20 handling.

21 e. A review of the regulatory and taxation environment and
22 business climate resulting in recommendations to balance
23 competitiveness.

24 Sec. 5. NEW SECTION. 15E.45 INDUSTRY LEADERSHIP
25 COUNCILS.

26 In conjunction with its own creation, the council shall
27 establish leadership councils in the advanced manufacturing,
28 information solutions, and life sciences industry clusters, as
29 well as any other industry cluster identified by the Iowa new
30 economy council. The leadership councils shall be comprised
31 of business and industry, academic, government, and other
32 representatives identified by the Iowa new economy council.
33 The leadership councils shall be established to address issues
34 specific to each industry cluster. The Iowa new economy
35 council shall determine the ongoing structure, membership, and

1 operational objectives of the leadership councils.

2 Sec. 6. NEW SECTION. 15E.46 FUNDING.

3 The Iowa new economy council and the leadership councils
4 shall not receive any moneys directly from the state. The
5 Iowa new economy council may seek and obtain moneys from
6 federal and private sources. Public resources allocated for
7 the operation of the Iowa new economy council and the
8 leadership councils or for specific projects sponsored by the
9 Iowa new economy council and the leadership councils shall be
10 received through appropriate performance agreements
11 administered by the department or other appropriate public
12 entities. Private moneys secured through contributions,
13 contracts, or other means shall be administered and accounted
14 for as determined by the Iowa new economy council. The
15 department shall provide the Iowa new economy council with
16 staffing services.

17 Sec. 7. NEW SECTION. 15E.47 REPORTS.

18 The Iowa new economy council shall annually submit a report
19 to the governor and the general assembly concerning the use of
20 resources and the results derived from investments in the
21 activities sponsored by the council. Copies of status reports
22 provided under any performance agreement with the department
23 or other public entity shall be provided to the governor and
24 the general assembly.

25 EXPLANATION

26 This bill establishes an Iowa new economy council.

27 The bill provides that the council shall consist of 10
28 senior level decision makers appointed by the governor and
29 five ex officio, nonvoting members. The bill provides that
30 the focus of the council shall be to develop a three-year
31 strategic plan with an annual operating plan to support and
32 strengthen the competitiveness of Iowa businesses within each
33 industry cluster. The bill provides that an "industry
34 cluster" is a group of companies that rely on an active set of
35 relationships among themselves for individual efficiency and

1 competitiveness.

2 The bill provides that the council shall develop and
3 implement activities addressing issues relating to skilled and
4 adaptable human resources; access to technology on which new
5 products and processes are based; availability of financial
6 capital to support new ventures, expansion of existing
7 companies, and reinvestment in transition industries; support
8 of advanced physical infrastructure for transportation,
9 communications, energy and water, and waste handling; and a
10 review of the regulatory and taxation environment and business
11 climate resulting in recommendations to balance
12 competitiveness.

13 The bill provides that the Iowa new economy council shall
14 establish leadership councils in the advanced manufacturing,
15 information solutions, and life sciences industry clusters, as
16 well as any other industry cluster identified by the Iowa new
17 economy council, to address issues specific to each industry
18 cluster.

19 The bill provides that the Iowa new economy council and the
20 leadership councils shall not receive any moneys directly from
21 the state but may seek and obtain moneys from federal and
22 private sources. The bill provides that public resources
23 allocated for the operation of the Iowa new economy council
24 and the leadership councils or for specific projects sponsored
25 by the Iowa new economy council and the leadership councils
26 shall be received through appropriate performance agreements
27 administered by the department or other appropriate public
28 entities. The bill provides that private moneys secured
29 through contributions, contracts, or other means would be
30 administered and accounted for as determined by the Iowa new
31 economy council.

32 The bill provides certain reporting requirements relating
33 to the use of resources and the results derived from
34 investments in the activities sponsored by the council. The
35 bill also requires copies of status reports provided under any

1 performance agreement with the department or other public
2 entity to be provided to the governor and the general
3 assembly.

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