

SEP 7 2004
APPROPRIATIONS

HOUSE FILE 2582
BY RANTS

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

A BILL FOR

1 An Act relating to appropriations for economic development
2 purposes, workforce development field offices, workforce
3 training and economic development funds of community colleges,
4 and including effective date and retroactive applicability
5 provisions.

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

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HF 2582

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DIVISION I

APPROPRIATION RELATED

Section 1. CONTRACT OR APPROVED PROJECT OR ACTIVITY

VALIDATION. Any contract or approved project or activity originally funded or intended to be funded in whole or in part with moneys from the grow Iowa values fund, and entered into or approved by the department of economic development or the grow Iowa values board after June 30, 2003, and before June 16, 2004, in reliance on the publication of law implementing the grow Iowa values fund in the 2003 Code Supplement and 2003 Iowa Acts, is valid and enforceable to the full extent of the law. The Iowa supreme court decision in Rants and Iverson v. Vilsack, No. 60/03-1948, June 16, 2004, and the provisions of this Act shall not in themselves constitute grounds for rescision or modification of such contracts or approved projects or activities. This Act provides appropriations to fund these contracts or approved projects or activities.

Sec. 2. ECONOMIC DEVELOPMENT APPROPRIATIONS.

1. There is appropriated from the fund created in subsection 2, to the following designated entities and funds for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. (1) To the department of economic development for marketing strategies for the state:
..... \$ 6,782,949

(2) Of the amount appropriated in subparagraph (1), \$6,771,417 shall be expended pursuant to contracts or approved projects or activities validated in this division of this Act.

b. (1) To the department of economic development for financial assistance and incentives to businesses under programs currently existing which are administered by the department:

..... \$ 61,045,652
(2) Of the amount appropriated in subparagraph (1),

1 \$36,915,343 shall be expended pursuant to contracts or
2 approved projects or activities validated in this division of
3 this Act.

4 (3) In addition to the amount appropriated in subparagraph
5 (1), \$700,000 of any interest or earnings on moneys in the
6 fund created in subsection 2 which are credited to the fund
7 shall be appropriated to the department for the purposes
8 specified in subparagraph (1).

9 c. To the department of economic development for providing
10 financial assistance for projects in targeted state parks and
11 destination parks pursuant to contracts or approved projects
12 or activities validated in this division of this Act:

13 \$ 475,806

14 d. (1) For deposit in the loan and credit guarantee fund
15 created in section 15E.227:

16 \$ 5,728,402

17 (2) Of the amount appropriated in subparagraph (1), \$1,785
18 shall be expended pursuant to contracts or approved projects
19 or activities validated in this division of this Act.

20 e. To the department of economic development for financial
21 assistance for institutions of higher learning under the
22 control of the board of regents and for accredited private
23 institutions pursuant to contracts or approved projects or
24 activities validated in this division of this Act:

25 \$ 10,058,162

26 f. (1) To the department of economic development for
27 deposit into the workforce training and economic development
28 funds of the community colleges pursuant to section 260C.18A:

29 \$ 3,848,668

30 (2) Of the amount appropriated in subparagraph (1),
31 \$742,608 shall be expended pursuant to contracts or approved
32 projects or activities validated in this division of this Act.

33 g. To the department of economic development for deposit
34 into the workforce training and economic development funds of
35 the community colleges created in section 260C.18A for

1 purposes of the job retention program pursuant to section
2 260F.9:

3 \$ 1,000,000

4 h. To the department of economic development for endow
5 Iowa grants to lead philanthropic entities pursuant to section
6 15E.304:

7 \$ 155,303

8 i. To the department of economic development for deposit
9 into the general fund of the state for lost revenue due to
10 endow Iowa tax credits granted pursuant to section 15E.305:

11 \$ 155,303

12 j. For deposit into the cash reserve fund to replace
13 claims paid from the general fund of the state by the state
14 appeal board as affirmed in section 3 of this division of this
15 Act:

16 \$ 10,749,754

17 2. A federal economic stimulus and jobs holding fund is
18 created in the state treasury under the control of the
19 department of management consisting of moneys received from
20 the federal government for state and local government fiscal
21 relief under the federal Jobs and Growth Tax Relief
22 Reconciliation Act of 2003. Notwithstanding section 12C.7,
23 interest or earnings on moneys in the fund shall be credited
24 to the fund. Moneys appropriated from the fund in this
25 section shall be expended as provided in the federal law
26 making the moneys available and in conformance with chapter
27 17A.

28 3. Notwithstanding section 8.33, moneys that remain
29 unexpended at the end of a fiscal year shall not revert to any
30 fund but shall remain available for expenditure for the
31 designated purposes during the succeeding fiscal year.

32 Sec. 3. PAYMENT OF CLAIMS. The general assembly affirms
33 the action by the state appeal board on August 27, 2004,
34 approving payment of claims against the state for moneys
35 appropriated from the grow Iowa values fund and obligated

1 prior to the Iowa supreme court decision of Rants and Iverson
2 v. Vilsack, No. 60/03-1948, June 16, 2004, that invalidated
3 the proper enactment of the appropriations.

4 Sec. 4. REPEAL. 2003 Iowa Acts, First Extraordinary
5 Session, chapter 2, sections 65 through 75, are repealed.

6 Sec. 5. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.
7 This division of this Act, being deemed of immediate
8 importance, takes effect upon enactment and applies
9 retroactively to July 1, 2003.

10 DIVISION II
11 WORKFORCE DEVELOPMENT FIELD OFFICES
12 APPROPRIATIONS

13 Sec. 6. NEW SECTION. 96.7A APPROPRIATIONS FOR WORKFORCE
14 DEVELOPMENT FIELD OFFICES.

15 There is appropriated from the general fund of the state to
16 the department of workforce development for the fiscal period
17 beginning July 1, 2004, and ending June 30, 2007, the
18 following amounts, or so much thereof as is necessary, to be
19 used for the purposes designated:

20 For workforce development field offices, including
21 salaries, support, maintenance, conducting labor market
22 surveys, and miscellaneous purposes:

23	1. FY 2004-2005.....	\$ 6,525,000
24	2. FY 2005-2006.....	\$ 6,525,000
25	3. FY 2006-2007.....	\$ 3,262,500

26 Notwithstanding section 8.33, moneys that remain unexpended at
27 the end of the fiscal year shall not revert but shall remain
28 available for expenditure for the designated purposes during the
29 succeeding fiscal year.

30 Sec. 7. EFFECTIVE DATE. This division of this Act, being
31 deemed of immediate importance, takes effect upon enactment.

32 DIVISION III
33 WORKFORCE TRAINING AND ECONOMIC DEVELOPMENT FUNDS

34 Sec. 8. Section 260C.18A, subsection 2, unnumbered
35 paragraph 1, Code Supplement 2003, as amended by 2004 Iowa

1 Acts, Senate File 2298, section 370, is amended to read as
2 follows:

3 ~~On July 1 of each year for the fiscal year beginning July~~
4 ~~17, 2003, and for every fiscal year thereafter, moneys from the~~
5 ~~grow Iowa values fund created in section 156.108 are~~
6 ~~appropriated to the department of economic development for~~
7 ~~deposit in the workforce training and economic development~~
8 ~~funds in amounts determined pursuant to subsection 4. Moneys~~
9 deposited in the funds and disbursed to community colleges for
10 a fiscal year shall be expended for the following purposes,
11 provided seventy percent of the moneys shall be used on
12 projects in the areas of advanced manufacturing, information
13 technology and insurance, and life sciences which include the
14 areas of biotechnology, health care technology, and nursing
15 care technology:

16 Sec. 9. Section 260C.18A, subsections 3, 4, and 7, Code
17 Supplement 2003, as amended by 2004 Iowa Acts, Senate File
18 2298, section 330, are amended by striking the subsections.

19 Sec. 10. Section 260C.18A, subsection 6, paragraph d, Code
20 Supplement 2003, is amended to read as follows:

21 d. Annually submit the two-year plan and progress report
22 to the department of economic development in a manner
23 prescribed by rules adopted by the department pursuant to
24 ~~chapter 17A and annually file a copy of the plan and progress~~
25 ~~report with the grow Iowa values board. For the fiscal year~~
26 ~~beginning July 1, 2004, and each fiscal year thereafter, a~~
27 ~~community college shall not have moneys deposited in the~~
28 ~~workforce training and economic development fund of that~~
29 ~~community college unless the grow Iowa values board approves~~
30 ~~the annual progress report of the community college.~~

31 Sec. 11. Section 260C.18A, subsection 8, as enacted by
32 2004 Iowa Acts, Senate File 2298, section 331, is amended by
33 striking the subsection.

34 Sec. 12. Section 260C.18A, Code Supplement 2003, is
35 amended by adding the following new subsection:

1 NEW SUBSECTION. 9. This section is repealed effective
2 June 30, 2010.

3 Sec. 13. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.
4 This division of this Act, being deemed of immediate
5 importance, takes effect upon enactment and applies
6 retroactively to June 30, 2004.

7 EXPLANATION

8 Division I -- This division validates contracts entered
9 into or projects or activities approved by the department of
10 economic development or the grow Iowa values board in reliance
11 on the validity of the law implementing the grow Iowa values
12 fund which was subsequently declared invalid by the Iowa
13 supreme court in the decision of Rants and Iverson v. Vilsack.

14 This division makes appropriations of federal funding
15 received by the state under the federal Jobs and Growth Tax
16 Relief Reconciliation Act of 2003. Appropriations are made
17 for fiscal year 2004-2005 to the department of economic
18 development for the following purposes: marketing strategies,
19 financial assistance and incentives to businesses, financial
20 assistance for institutions under the control of the state
21 board of regents and accredited private institutions,
22 workforce training and economic development funds of the
23 community colleges, endow Iowa grants and tax credits, and for
24 targeted state parks and destination parks; for deposit in the
25 loan and credit guarantee fund; and to the cash reserve fund.
26 The appropriations remaining unobligated or unexpended do not
27 revert at the close of the fiscal year but remain available
28 for the succeeding fiscal year.

29 The action by the state appeals board is validated that
30 approved payment of claims against the state for moneys
31 appropriated from the grow Iowa values fund and obligated
32 prior to the Iowa supreme court decision of Rants and Iverson
33 v. Vilsack that invalidated the grow Iowa values fund
34 appropriations.

35 The division of the 2003 session law invalidated by the

1 Iowa supreme court decision containing the grow Iowa values
2 fund appropriations is repealed.

3 The division takes effect upon enactment and is
4 retroactively applicable to July 1, 2003.

5 Division II -- This division appropriates state general
6 fund moneys for the fiscal period beginning July 1, 2004, and
7 ending June 30, 2007, for department of workforce development
8 field offices. These offices were to be funded by
9 administrative contribution surcharges to be collected in the
10 2004, 2005, and 2006 calendar years. The Iowa supreme court
11 decision making House File 692, dealing with the grow Iowa
12 values fund, invalid also made the surcharges for those three
13 calendar years invalid.

14 The division takes effect upon enactment.

15 Division III -- This division amends Code section 260C.18A
16 that establishes the workforce training and economic
17 development funds of community colleges to strike references
18 to the grow Iowa values fund and the multiyear appropriations
19 made from it.

20 The division takes effect upon enactment and applies
21 retroactively to July 1, 2004.

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1 Amend House File 2582 as follows:

2 1. Page 1, line 34, by striking the figure
3 "61,045,652" and inserting the following:
4 "20,045,652".

5 2. Page 2, line 1, by striking the figure
6 "36,915,343" and inserting the following:
7 "20,045,652".

8 3. Page 3, by inserting after line 16 the
9 following:

10 "k. (1) To the department of education for
11 additional state aid to school districts:
12 \$ 41,000,000

13 (2) The amount appropriated in subparagraph (1)
14 shall be allocated to school districts based upon each
15 school district's budget enrollment, as defined in
16 section 257.6, for the school budget year beginning
17 July 1, 2004, to the total budget enrollment for all
18 school districts for the school budget year beginning
19 July 1, 2004.

20 (3) Moneys received by a school district pursuant
21 to this lettered paragraph "k" shall be considered
22 miscellaneous income."

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26 FALLON of Polk

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1 Amend House File 2582 as follows:
 2 1. By striking page 1, line 18, through page 4,
 3 line 9, and inserting the following:
 4 "Sec. ____ . 2003 IOWA ACTS, HOUSE FILE 683 --
 5 APPROPRIATIONS. 2003 Iowa Acts, First Extraordinary
 6 Session, chapter 2, sections 65 through 75, are
 7 repealed. However, to the extent an appropriation
 8 made in this division of this Act is made for the same
 9 purpose as an appropriation made in 2003 Iowa Acts,
 10 First Extraordinary Session, chapter 2, sections 65
 11 through 75, action taken pursuant to 2003 Iowa Acts,
 12 First Extraordinary Session, chapter 2, sections 65
 13 through 75, shall be considered valid and enforceable.

14 Sec. ____ . NEW SECTION. 15G.111 ECONOMIC
 15 DEVELOPMENT APPROPRIATIONS FROM GROW IOWA VALUES FUND.

16 1. MARKETING DEVELOPMENT. There is appropriated
 17 from the fund to the department for the designated
 18 fiscal years, the following amounts, or so much
 19 thereof as is necessary, to be used for the purpose
 20 designated:

21 For implementing and administering the marketing
 22 strategy approved under this chapter by the economic
 23 development marketing board:

24	a.	FY 2003-2004.....	\$	2,244,826
25	b.	FY 2004-2005.....	\$	7,500,000
26	c.	FY 2005-2006.....	\$	10,000,000

27 2. DEPARTMENTAL PROGRAMS.

28 a. There is appropriated from the fund to the
 29 department for the designated fiscal years, the
 30 following amounts, or so much thereof as is necessary,
 31 to be used for the purpose designated:

32 For programs administered by the department:

33	(1)	FY 2003-2004.....	\$	38,006,883
34	(2)	FY 2004-2005.....	\$	41,000,000
35	(3)	FY 2005-2006.....	\$	44,000,000
36	(4)	FY 2006-2007.....	\$	48,000,000

37 b. The board shall allocate a percentage of each
 38 appropriation made in this subsection for each of the
 39 following types of activities:

- 40 (1) Business start-ups.
- 41 (2) Business expansion.
- 42 (3) Business modernization.
- 43 (4) Business attraction.
- 44 (5) Business retention.
- 45 (6) Marketing.

46 c. An applicant for moneys appropriated in this
 47 subsection shall be required by the department to
 48 include in the application a statement regarding the
 49 intended return on investment. A recipient of moneys
 50 appropriated in this subsection shall annually submit

1 a statement to the department regarding the progress
2 achieved on the intended return on investment stated
3 in the application. The department, in cooperation
4 with the department of revenue, shall develop a method
5 of identifying and tracking each new job created
6 through financial assistance from moneys appropriated
7 in this subsection.

8 d. The department may use moneys appropriated in
9 this subsection to procure technical assistance from
10 either the public or private sector, for information
11 technology purposes, and for rail, air, or river port
12 transportation-related purposes. The use of moneys
13 appropriated for rail, air, or river port
14 transportation-related purposes must be directly
15 related to an economic development project and the
16 moneys must be used to leverage other financial
17 assistance moneys.

18 e. Of the moneys appropriated in this subsection,
19 the department may use one-half of one percent for
20 administrative purposes.

21 f. The applications for financial assistance from
22 moneys appropriated in this subsection are subject to
23 action of the board approving or denying the
24 applications.

25 3. LOAN AND CREDIT GUARANTEE FUND. There is
26 appropriated from the fund to the department for the
27 designated fiscal years, the following amounts, or so
28 much thereof as is necessary, to be used for the
29 purpose designated:

30 For deposit in the loan and credit guarantee fund
31 created in section 15E.227:

32 a. FY 2003-2004.....	\$	2,489,800
33 b. FY 2004-2005.....	\$	5,000,000
34 c. FY 2005-2006.....	\$	7,500,000
35 d. FY 2006-2007.....	\$	7,500,000

36 4. ENDOW IOWA GRANTS. There is appropriated from
37 the fund to the department for the designated fiscal
38 years, the following amounts, or so much thereof as is
39 necessary, to be used for the purpose designated:

40 For providing endow Iowa grants to lead

41 philanthropic entities pursuant to section 15E.304:

42 a. FY 2004-2005.....	\$	250,000
43 b. FY 2005-2006.....	\$	250,000
44 c. FY 2006-2007.....	\$	500,000

45 5. PARKS.

46 a. There is appropriated from the fund to the
47 board for the designated fiscal years, the following
48 amounts, or so much thereof as is necessary, to be
49 used for the purpose designated:

50 For the purpose of providing financial assistance

1	for projects in targeted state parks and destination		
2	parks:		
3	(1) FY 2003-2004.....	\$	500,000
4	(2) FY 2004-2005.....	\$	0
5	(3) FY 2005-2006.....	\$	0
6	(4) FY 2006-2007.....	\$	500,000

7 b. The department of natural resources, in
8 cooperation with the department of economic
9 development, shall submit a plan to the grow Iowa
10 values board for the expenditure of moneys
11 appropriated in this subsection. The plan shall focus
12 on improving state parks and destination parks for
13 economic development purposes. Based on the report
14 submitted, the grow Iowa values board shall provide
15 financial assistance to the department of natural
16 resources for support of state parks and destination
17 parks.

18 6. ONE-YEAR CARRYOVER. Notwithstanding section
19 8.33, moneys appropriated in this section that remain
20 unencumbered or unobligated at the close of the fiscal
21 year shall not revert but shall remain available for
22 expenditure for the purposes designated until the
23 close of the succeeding fiscal year.

24 Sec. ____ . NEW SECTION. 15G.112 UNIVERSITY AND
25 COLLEGE FINANCIAL ASSISTANCE APPROPRIATIONS FROM GROW
26 IOWA VALUES FUND.

27 1. There is appropriated from the fund to the
28 board for the designated fiscal years, the following
29 amounts, or so much thereof as is necessary, to be
30 used for the purposes designated:

31 For financial assistance for institutions of higher
32 learning under the control of the state board of
33 regents and for accredited private institutions as
34 defined in section 261.9 for multiuse, goods
35 manufacturing processes approved by the food and drug
36 administration of the United States department of
37 health and human services; protein purification
38 facilities for plant, animal, and chemical
39 manufactured proteins; accelerating new business
40 creation; innovation accelerators and business parks;
41 incubator facilities; upgrading food and drug
42 administration drug approval laboratories in Iowa City
43 to a larger multiclient, goods manufacturing processes
44 facility; crop and animal livestock facilities for the
45 growing of transgenic crops and livestock, protein
46 extraction facilities, containment facilities, and
47 bioanalytical, biochemical, chemical, and
48 microbiological support facilities; a national center
49 for food safety and security; and advanced laboratory
50 space:

1 a. FY 2003-2004..... \$ 6,000,000
2 b. FY 2004-2005..... \$ 7,000,000
3 c. FY 2005-2006..... \$ 7,000,000
4 d. FY 2006-2007..... \$ 7,000,000
5 2. Notwithstanding section 8.33, moneys
6 appropriated in this section that remain unencumbered
7 or unobligated at the close of the fiscal year shall
8 not revert but shall remain available for expenditure
9 for the purposes designated until the close of the
10 succeeding fiscal year.
11 3. In the distribution of moneys appropriated in
12 this section, the board shall examine the potential
13 for using such moneys to leverage other moneys
14 available for financial assistance to accredited
15 private institutions.
16 4. In awarding moneys appropriated in this
17 section, the board shall consider whether the purchase
18 of suitable existing infrastructure is more cost-
19 efficient than building new infrastructure.
20 5. An institution of higher learning under the
21 control of the state board of regents may apply to use
22 financial assistance moneys appropriated in this
23 section for purposes of a public and private joint
24 venture to acquire infrastructure assets or research
25 facilities or to leverage moneys in a manner
26 consistent with meeting the goals and performance
27 measures provided in section 15G.107.
28 6. Of the moneys appropriated in this section and
29 provided applications are submitted meeting the
30 requirements of the board, not less than ten million
31 dollars in financial assistance shall be awarded to
32 the university of Iowa, not less than ten million
33 dollars in financial assistance shall be awarded to
34 Iowa state university of science and technology, and
35 not less than five million dollars in financial
36 assistance shall be awarded to the university of
37 northern Iowa.
38 Sec. . NEW SECTION. 15G.113 REHABILITATION
39 PROJECT TAX CREDITS APPROPRIATIONS FROM GROW IOWA
40 VALUES FUND.
41 1. There is appropriated from the fund to the
42 general fund of the state, for the designated fiscal
43 years, the following amounts, or so much thereof as is
44 necessary, to be used for the purpose designated:
45 For reimbursement for lost revenue due to tax
46 credits approved pursuant to section 404A.4 for
47 rehabilitation projects located in certified cultural
48 and entertainment districts:
49 a. FY 2005-2006..... \$ 500,000
50 b. FY 2006-2007..... \$ 500,000

1 2. Notwithstanding section 8.33, moneys
2 appropriated in this section that remain unencumbered
3 or unobligated at the close of the fiscal year shall
4 not revert but shall remain available for expenditure
5 for the purpose designated until the close of the
6 succeeding fiscal year.

7 Sec. ____ . NEW SECTION. 15G.114 ENDOW IOWA TAX
8 CREDITS APPROPRIATIONS FROM GROW IOWA VALUES FUND.

9 1. There is appropriated from the fund to the
10 general fund of the state, for the designated fiscal
11 years, the following amounts, or so much thereof as is
12 necessary, to be used for the purpose designated:
13 For reimbursement for lost revenue due to endow
14 Iowa tax credits authorized pursuant to section
15 15E.305:

16	a. FY 2004-2005.....	\$	250,000
17	b. FY 2005-2006.....	\$	250,000
18	c. FY 2006-2007.....	\$	500,000

19 2. Notwithstanding section 8.33, moneys
20 appropriated in this section that remain unencumbered
21 or unobligated at the close of the fiscal year shall
22 not revert but shall remain available for expenditure
23 for the purpose designated until the close of the
24 succeeding fiscal year.

25 Sec. ____ . NEW SECTION. 15G.115 IOWA CULTURAL
26 TRUST FUND APPROPRIATIONS FROM GROW IOWA VALUES FUND.

27 1. There is appropriated from the fund to the
28 office of the treasurer of state, for the designated
29 fiscal years, the following amounts, or so much
30 thereof as is necessary, to be used for the purpose
31 designated:
32 For deposit in the Iowa cultural trust fund created
33 in section 303A.4:

34	a. FY 2003-2004.....	\$	24,194
35	b. FY 2004-2005.....	\$	0
36	c. FY 2005-2006.....	\$	0
37	d. FY 2006-2007.....	\$	500,000

38 2. Notwithstanding section 8.33, moneys
39 appropriated in this section that remain unencumbered
40 or unobligated at the close of the fiscal year shall
41 not revert but shall remain available for expenditure
42 for the purpose designated until the close of the
43 succeeding fiscal year.

44 Sec. ____ . NEW SECTION. 15G.116 ANTICIPATED
45 FEDERAL MONEYS -- APPROPRIATIONS TO GROW IOWA VALUES
46 FUND.

47 1. There is appropriated from the fund created by
48 section 8.41, for the designated fiscal years, the
49 following amounts, to be used for the purpose
50 designated:

1 For deposit in the grow Iowa values fund:
 2 a. FY 2003-2004..... \$ 59,000,000
 3 b. FY 2004-2005..... \$ 41,000,000

4 2. Moneys appropriated in this section are moneys
 5 anticipated to be received from the federal government
 6 for state and local government fiscal relief under the
 7 federal Jobs and Growth Tax Relief Reconciliation Act
 8 of 2003 and shall be expended as provided in the
 9 federal law making the moneys available and in
 10 conformance with chapter 17A.

11 Sec. ____ . NEW SECTION. 15G.117 STREAMLINED SALES
 12 AND USE TAX REVENUE APPROPRIATIONS TO GROW IOWA VALUES
 13 FUND.

14 1. There is appropriated from the general fund of
 15 the state from moneys credited to the general fund of
 16 the state as a result of entering into the streamlined
 17 sales and use tax agreement, for the designated fiscal
 18 years, the following amounts, to be used for the
 19 purpose designated:

20 For deposit in the grow Iowa values fund:
 21 a. FY 2003-2004..... \$ 5,000,000
 22 b. FY 2004-2005..... \$ 23,000,000
 23 c. FY 2005-2006..... \$ 75,000,000
 24 d. FY 2006-2007..... \$ 75,000,000
 25 e. FY 2007-2008..... \$ 75,000,000
 26 f. FY 2008-2009..... \$ 75,000,000
 27 g. FY 2009-2010..... \$ 75,000,000

28 2. For purposes of this section, "moneys credited
 29 to the general fund of the state as a result of
 30 entering into the streamlined sales and use tax
 31 agreement" means the amount of sales and use tax
 32 receipts credited to the general fund of the state
 33 during a fiscal year that exceeds by two percent or
 34 more the total sales and use tax receipts credited to
 35 the general fund of the state during the previous
 36 fiscal year.

37 a. If the moneys credited to the general fund of
 38 the state as a result of entering into the streamlined
 39 sales and use tax agreement during a fiscal year total
 40 less than the amount appropriated in this section, the
 41 appropriation in this section shall be reduced to
 42 equal the total amount of the moneys so credited.

43 b. If the appropriation for a fiscal year is
 44 reduced pursuant to paragraph "a", all appropriations
 45 made from the grow Iowa values fund for the same
 46 fiscal year shall be reduced proportionately to the
 47 amount reduced pursuant to paragraph "a".

48 Sec. ____ . CASH RESERVE FUND. There is
 49 appropriated from the grow Iowa values fund to the
 50 cash reserve fund for the fiscal year beginning July

1 1, 2004, and ending June 30, 2005, the following
2 amount, or so much thereof as is necessary, to be used
3 for the purposes designated:

4 For replacing claims paid from the general fund of
5 the state by the state appeal board as affirmed by
6 this division of this Act:

7 \$ 10,058,162

8 Sec. ____ . PAYMENT OF CLAIMS. The general assembly
9 affirms the action by the state appeal board on August
10 27, 2004, approving payment of claims against the
11 state for moneys appropriated from the grow Iowa
12 values fund and obligated prior to the Iowa supreme
13 court decision of Rants and Iverson v. Vilsack, No.
14 60/03-1948, June 16, 2004, that invalidated the proper
15 enactment of the appropriations.

16 Sec. ____ . Section 260C.18A, subsection 4,
17 paragraph a, Code Supplement 2003, as reaffirmed and
18 reenacted in part by division IV of this Act, is
19 amended to read as follows:

20 a. Five One million nine hundred eighty-four
21 thousand five hundred forty-three dollars for the
22 fiscal year beginning July 1, 2003.

23 Sec. ____ . EFFECTIVE DATE AND RETROACTIVE
24 APPLICABILITY PROVISIONS. This division of this Act,
25 being deemed of immediate importance, takes effect
26 upon enactment, and is retroactively applicable to
27 July 1, 2003."

28 2. By striking page 4, line 32, through page 6,
29 line 6.

30 3. By renumbering as necessary.

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7 34 WISE of Lee

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7 38 THOMAS of Clayton

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7 42 BELL of Jasper

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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

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.

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38 _____
39 THOMAS of Clayton

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43 WISE of Lee

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47 QUIRK of Chickasaw

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51 WHITAKER of Van Buren

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