

House File 590 - Reprinted

HOUSE FILE 590
BY COMMITTEE ON ECONOMIC
GROWTH/REBUILD IOWA

(SUCCESSOR TO HSB 103)

(As Amended and Passed by the House March 28, 2011)

A BILL FOR

1 An Act relating to the organization of the executive branch
2 agencies responsible for administering economic development
3 programs, making certain properly related changes, and
4 including effective date and transition provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 DIVISION I
2 IOWA PARTNERSHIP FOR ECONOMIC PROGRESS AND ECONOMIC DEVELOPMENT
3 AUTHORITY

4 Section 1. Section 15.101, Code 2011, is amended by striking
5 the section and inserting in lieu thereof the following:

6 **15.101 Findings and purpose — collaboration described.**

7 1. The general assembly finds that economic development
8 is an important public purpose and that both the public
9 and private sectors have a shared interest in fostering the
10 economic vitality of the state. Therefore, it is the purpose
11 of this subchapter to implement economic development policy in
12 the state by means of a collaboration between government and
13 the private sector.

14 2. The collaboration shall involve the partnership for
15 economic progress, the economic development authority, and
16 the economic development corporation, all of which shall work
17 together to further economic development policy according to
18 the provisions of this subchapter.

19 Sec. 2. Section 15.102, Code 2011, is amended by adding the
20 following new subsections:

21 NEW SUBSECTION. 01. "*Authority*" means the economic
22 development authority created in section 15.105.

23 NEW SUBSECTION. 1A. "*Chief executive officer*" means the
24 chief executive officer of the corporation.

25 NEW SUBSECTION. 2A. "*Corporation*" means the economic
26 development corporation created pursuant to section 15.107.

27 NEW SUBSECTION. 4A. "*Financial assistance*" means assistance
28 provided only from the funds, rights, and assets legally
29 available to the authority and includes but is not limited to
30 assistance in the form of grants, loans, forgivable loans, and
31 royalty payments.

32 NEW SUBSECTION. 5A. "*Partnership*" means the partnership for
33 economic progress created in section 15.103.

34 Sec. 3. Section 15.102, subsections 1 and 4, Code 2011, are
35 amended to read as follows:

1 1. "*Board*" means the ~~Iowa economic development board~~
2 members of the authority appointed by the governor and in whom
3 the powers of the authority are vested pursuant to section
4 15.105.

5 4. "*Director*" means the director of the ~~department~~
6 authority, appointed pursuant to section 15.106C, or the
7 director's designee.

8 Sec. 4. Section 15.102, subsection 3, Code 2011, is amended
9 by striking the subsection.

10 Sec. 5. Section 15.103, Code 2011, is amended by striking
11 the section and inserting in lieu thereof the following:

12 **15.103 Partnership for economic progress.**

13 1. The partnership for economic progress is hereby created.
14 The partnership shall serve as an advisory body within state
15 government and shall function on a continuing basis for the
16 study and recommendation of solutions and policy alternatives
17 for issues arising in the area of economic development. In
18 performing such advisory functions, the partnership shall focus
19 on job creation, increasing the income of Iowa families, and on
20 enlarging the gross state product.

21 2. The powers of the partnership are vested in and shall
22 be exercised by seven members to be appointed by the governor
23 subject to confirmation by the senate. To the extent possible,
24 the governor shall appoint to the membership of the partnership
25 persons who are actively employed in the private, for-profit
26 sector of the economy or who otherwise have substantial
27 expertise in economic development.

28 3. Members of the partnership shall be appointed for
29 staggered terms of two years beginning and ending as provided
30 in section 69.19. A person appointed to fill a vacancy shall
31 serve only for the unexpired portion of the term. A member
32 is eligible for reappointment. A member of the partnership
33 may be removed from office by the governor for misfeasance,
34 malfeasance, or willful neglect of duty or other just cause,
35 after notice and hearing, unless the notice and hearing is

1 expressly waived in writing.

2 4. Four members of the partnership constitute a quorum and
3 the affirmative vote of a majority of the appointed members
4 is necessary for any action taken by the partnership. The
5 majority shall not include any member who has a conflict of
6 interest and a statement by a member of a conflict of interest
7 shall be conclusive for this purpose. A vacancy in the
8 membership does not impair the right of a quorum to exercise
9 all rights and perform all duties of the partnership.

10 5. Members of the partnership shall receive a per diem as
11 described in section 7E.6 for each day spent in performance of
12 duties as members and shall be reimbursed for all actual and
13 necessary expenses incurred in the performance of duties as
14 members.

15 6. Members of the partnership shall give bond as required
16 for public officers in chapter 64.

17 7. The governor or, if the governor so designates, the
18 lieutenant governor shall serve as the chairperson of the
19 partnership. Members shall elect a vice chairperson and
20 secretary biannually, and other officers as they determine.

21 8. Meetings of the partnership shall be held at least
22 quarterly and may be held more frequently at the call of the
23 chairperson or when four or more members of the partnership so
24 request.

25 9. Except for the chairperson of the board of directors
26 of the corporation, members of the board of directors of the
27 corporation shall not serve as members of the partnership.

28 10. Members of the authority board may serve as members of
29 the partnership. However, the number of such members shall be
30 less than the number that constitutes a quorum of authority
31 board members.

32 Sec. 6. Section 15.104, Code 2011, is amended by striking
33 the section and inserting in lieu thereof the following:

34 **15.104 Duties and powers of the partnership.**

35 The partnership created in section 15.103 shall have the

1 following duties and powers:

2 1. To call and hold meetings for the purposes described in
3 section 15.103, subsection 1.

4 2. To create and maintain records of the partnership's
5 activities and recommendations.

6 3. To develop a strategic vision for economic development
7 in Iowa. The partnership shall submit this vision to the
8 authority and the general assembly by January 31 of each year
9 for their consideration.

10 4. To set annual numerical goals for the authority
11 pertaining to the creation of jobs in the state. If such goals
12 are not met an explanation of the reasons shall be provided to
13 the general assembly.

14 Sec. 7. Section 15.105, Code 2011, is amended by striking
15 the section and inserting in lieu thereof the following:

16 **15.105 Economic development authority.**

17 1. The economic development authority is created, and
18 constituted a public instrumentality and agency of the state
19 exercising public and essential governmental functions, to
20 undertake programs which implement economic development policy
21 in the state, and to undertake certain finance programs.

22 a. The powers of the authority are vested in and shall be
23 exercised by a board of nine voting members appointed by the
24 governor subject to confirmation by the senate. The voting
25 members shall be comprised of the following:

26 (1) Two members from each United States congressional
27 district in the state. If the congressional districts to be
28 effective beginning January 2013 have not been established
29 in Iowa law, then the governor shall appoint eight members
30 representing the geographic diversity of the state.

31 (2) One member selected at large.

32 b. There shall be four ex officio, nonvoting legislative
33 members consisting of the following:

34 (1) Two state senators, one appointed by the president of
35 the senate after consultation with the majority leader of the

1 senate and one appointed by the minority leader of the senate
2 from their respective parties.

3 (2) Two state representatives, one appointed by the speaker
4 and one appointed by the minority leader of the house of
5 representatives from their respective parties.

6 c. To the extent possible, the governor shall appoint
7 persons who are actively employed in the private, for-profit
8 sector of the economy or who otherwise have substantial
9 expertise in economic development.

10 2. Members of the authority shall be appointed for staggered
11 terms of four years beginning and ending as provided in section
12 69.19. A person appointed to fill a vacancy shall serve only
13 for the unexpired portion of the term. A member is eligible
14 for reappointment. A member of the authority may be removed
15 from office by the governor for misfeasance, malfeasance, or
16 willful neglect of duty or other just cause, after notice and
17 hearing, unless the notice and hearing is expressly waived in
18 writing. Members of the authority board shall not serve as
19 directors of the corporation.

20 3. Six members of the authority constitute a quorum, and
21 the affirmative vote of a majority of the appointed members is
22 necessary for any action taken by the authority. The majority
23 shall not include any member who has a conflict of interest
24 and a statement by a member of a conflict of interest shall be
25 conclusive for this purpose. A vacancy in the membership does
26 not impair the right of a quorum to exercise all rights and
27 perform all duties of the authority.

28 4. Members of the authority are entitled to receive a
29 per diem as specified in section 7E.6 for each day spent in
30 performance of duties as members, and shall be reimbursed for
31 all actual and necessary expenses incurred in the performance
32 of duties as members.

33 5. Members of the authority and the director shall give bond
34 as required for public officers in chapter 64.

35 6. Meetings of the authority shall be held at the call of

1 the chairperson or when two members so request.

2 7. Members shall elect a chairperson and vice chairperson
3 annually, and other officers as they determine, but the
4 director shall serve as secretary to the authority.

5 8. The net earnings of the authority, beyond that
6 necessary to implement the public purposes and programs herein
7 authorized, shall not inure to the benefit of any person
8 other than the state. Upon termination of the existence of
9 the authority, title to all property owned by the authority,
10 including any such net earnings of the authority, shall vest in
11 the state. The state reserves the right at any time to alter,
12 amend, repeal, or otherwise change the structure, organization,
13 programs, or activities of the authority, including the power
14 to terminate the authority, except that no law shall impair
15 the obligation of any contract or contracts entered into by
16 the authority to the extent that any such law would contravene
17 Article I, section 21, of the Constitution of the State of
18 Iowa, or Article I, section 10, of the Constitution of the
19 United States.

20 9. Members of the authority, or persons acting on behalf
21 of the authority while acting within the scope of their agency
22 or employment, are not subject to personal liability resulting
23 from carrying out the powers and duties in this chapter.

24 10. The authority shall be the successor entity to the
25 economic development board and the department of economic
26 development which are hereby eliminated. The authority
27 shall assume all duties and responsibilities previously
28 assigned to the economic development board and the department
29 of economic development to the extent that such duties and
30 responsibilities are not otherwise assigned by the provisions
31 of this subchapter.

32 Sec. 8. Section 15.106, Code 2011, is amended by striking
33 the section and inserting in lieu thereof the following:

34 **15.106 Conflicts of interest.**

35 1. a. If a member or employee of the authority other than

1 the director of the authority has an interest, either direct or
2 indirect, in a contract to which the authority is, or is to be,
3 a party, the interest shall be disclosed to the authority in
4 writing and shall be set forth in the minutes of the authority.

5 **b.** The member or employee having the interest shall not
6 participate in any action of the authority with respect to
7 that contract. A violation of a provision of this subsection
8 is misconduct in office under section 721.2. However, a
9 resolution of the authority is not invalid because of a vote
10 cast by a member in violation of this subsection or of section
11 15.105, subsection 3, unless the vote was decisive in the
12 passage of the resolution.

13 **c.** For the purposes of this subsection, "*action of the*
14 *authority with respect to that contract*" means only an action
15 directly affecting a separate contract, and does not include an
16 action which benefits the general public or which affects all
17 or a substantial portion of the contracts included in a program
18 of the authority.

19 **2.** The director shall not have an interest in a bank or
20 other financial institution in which the funds of the authority
21 are, or are to be, deposited or which is, or is to be, acting
22 as trustee or paying agent under a trust indenture to which
23 the authority is a party. The director shall not receive,
24 in addition to fixed salary or compensation, any money or
25 valuable thing, either directly or indirectly, or through any
26 substantial interest in any other corporation or business unit,
27 for negotiating, procuring, recommending, or aiding in any
28 purchase or sale of property, or loan, made by the authority,
29 nor shall the director be pecuniarily interested, either as
30 principal, coprincipal, agent, or beneficiary, either directly
31 or indirectly, or through any substantial interest in any other
32 corporation or business unit, in any such purchase, sale, or
33 loan.

34 **3.** Not more than one principal executive, employee, or other
35 representative from a business or its affiliates may serve

1 concurrently on the authority board, the board of directors
2 of the corporation, or any combination thereof. For purposes
3 of this subsection, "affiliate" means the same as defined in
4 section 423.1.

5 Sec. 9. NEW SECTION. 15.106A **General powers of the**
6 **authority.**

7 1. The authority has any and all powers necessary and
8 convenient to carry out its purposes and duties and exercise
9 its specific powers, including but not limited to the power to:

10 a. Sue and be sued in its own name.

11 b. Have and alter a corporate seal.

12 c. Make and alter bylaws for its management consistent with
13 the provisions of this chapter.

14 d. Make and execute agreements, contracts, and other
15 instruments of any and all types on such terms and conditions
16 as the authority may find necessary or convenient to the
17 purposes of the authority, with any public or private entity,
18 including but not limited to contracts for goods and services.
19 All political subdivisions, other public agencies, and state
20 departments and agencies may enter into contracts and otherwise
21 cooperate with the authority.

22 e. Adopt by rule pursuant to chapter 17A procedures relating
23 to competitive bidding, including the identification of those
24 circumstances under which competitive bidding by the authority,
25 either formally or informally, shall be required. In any
26 bidding process, the authority may administer its own bidding
27 and procurement or may utilize the services of the department
28 of administrative services or any other agency. Except when
29 such rules apply, the authority and all contracts made by it in
30 carrying out its public and essential governmental functions
31 with respect to any of its programs shall be exempt from the
32 provisions and requirements of all laws or rules of the state
33 which require competitive bids in connection with the letting
34 of such contracts.

35 f. Acquire, hold, improve, mortgage, lease, and dispose of

1 real and personal property, including but not limited to the
2 power to sell at public or private sale, with or without public
3 bidding, any such property, or other obligation held by it.

4 *g.* Procure insurance against any loss in connection with its
5 operations and property interests.

6 *h.* Accept appropriations, gifts, grants, loans, or other
7 aid from public or private entities. A record of all gifts or
8 grants, stating the type, amount, and donor, shall be clearly
9 set out in the authority's annual report along with the record
10 of other receipts.

11 *i.* Provide to public and private entities technical
12 assistance and counseling related to the authority's purposes.

13 *j.* In cooperation with other local, state, or federal
14 governmental agencies, conduct research studies, develop
15 estimates of unmet economic development needs, gather and
16 compile data useful to facilitating decision making, and enter
17 into agreements to carry out programs within or without the
18 state which the authority finds to be consistent with the goals
19 of the authority.

20 *k.* Enter into agreements with the federal government,
21 tribes, and other states to undertake economic development
22 activities in the state of Iowa.

23 *l.* Own or acquire intellectual property rights including
24 but not limited to copyrights, trademarks, service marks, and
25 patents, and enforce the rights of the authority with respect
26 to such intellectual property rights.

27 *m.* Make, alter, interpret, and repeal rules consistent with
28 the provisions of this chapter, and subject to chapter 17A.

29 *n.* Form committees or panels as necessary to facilitate the
30 authority's duties. Committees or panels formed pursuant to
31 this paragraph shall be subject to the provisions of chapters
32 21 and 22.

33 *o.* Establish one or more funds within the state treasury
34 under the control of the authority. Notwithstanding section
35 8.33 or 12C.7, or any other provision to the contrary, moneys

1 invested by the treasurer of state pursuant to this subsection
2 shall not revert to the general fund of the state and interest
3 accrued on the moneys shall be moneys of the authority and
4 shall not be credited to the general fund. The nonreversion of
5 moneys allowed under this paragraph does not apply to moneys
6 appropriated to the authority by the general assembly.

7 *p.* Select projects to receive assistance by the exercise of
8 diligence and care.

9 *q.* Exercise generally all powers typically exercised by
10 private enterprises engaged in business pursuits unless the
11 exercise of such a power would violate the terms of this
12 chapter or the Constitution of the State of Iowa.

13 2. Notwithstanding any other provision of law, any purchase
14 or lease of real property, other than on a temporary basis,
15 when necessary in order to implement the programs of the
16 authority or protect the investments of the authority, shall
17 require written notice from the authority to the government
18 oversight standing committees of the general assembly and the
19 prior approval of the executive council.

20 3. The powers enumerated in this section are cumulative of
21 and in addition to those powers enumerated elsewhere in this
22 chapter and such powers do not limit or restrict any other
23 powers of the authority.

24 4. Notwithstanding any other provision of law, the
25 authority may elect to utilize any or all of the goods or
26 services available from other state agencies in the conduct
27 of its affairs. Departments, boards, commissions, or other
28 agencies of the state shall provide reasonable assistance and
29 services to the authority upon the request of the director.

30 **Sec. 10. NEW SECTION. 15.106B Specific program powers.**

31 1. In addition to the general powers described in section
32 15.106A, the authority shall have all powers convenient and
33 necessary to carry out its programs.

34 2. For purposes of this section, "*powers convenient and*
35 *necessary*" includes but is not limited to the power to:

1 *a.* Undertake more extensive research and discussion of
2 the issues identified by the partnership in order to better
3 formulate and implement state economic development policy.

4 *b.* Establish a nonprofit corporation pursuant to section
5 15.107, for the purpose of receiving and disbursing funds from
6 public or private sources to be used to further the overall
7 development and economic well-being of the state.

8 *c.* Provide export documentation to Iowa businesses that are
9 exporting goods and services if no other government entity is
10 providing export documentation in a form deemed necessary for
11 international commerce.

12 *d.* (1) Pursuant to a contract executed between the
13 authority and the corporation, the authority may delegate to
14 the corporation the performance of the following functions on
15 behalf of the authority:

16 (i) Marketing and promotional activities.

17 (ii) Policy research.

18 (iii) Economic analysis.

19 (iv) Expansion of international markets for Iowa-produced
20 or Iowa-based products.

21 (v) Consulting services. However, such consulting
22 services shall not be provided in relation to an applicant for
23 financial assistance under any of the programs administered
24 by the authority or to persons who have an interest in or any
25 financial connection to the corporation.

26 (2) A contract executed pursuant to this paragraph "*d*"
27 shall not delegate an essential government function, including
28 the budgetary or personnel management responsibilities of the
29 authority, and shall not delegate any sovereign power of the
30 state.

31 (3) The terms of a contract executed pursuant to this
32 paragraph "*d*" may provide for compensation at the fair market
33 value of the services to be provided under the contract.

34 (4) Notwithstanding section 8A.311 and any rules
35 promulgated thereunder by the department of administrative

1 services, the authority may enter into contracts with the
2 corporation for the sole source procurement of services. In
3 entering into such sole source contracts, the authority shall
4 negotiate a fair and reasonable price for the services and
5 shall thoroughly document the circumstances of such sole source
6 procurements.

7 3. The authority may enter into contracts on behalf of
8 the Iowa innovation council established in section 15.117A.
9 Such contracts may delegate the performance of functions to
10 the corporation only if the contracts meet the requirements of
11 subsection 2, paragraph "d".

12 Sec. 11. NEW SECTION. 15.106C Director — responsibilities.

13 1. The board shall appoint a director of the authority,
14 who shall serve at the pleasure of the authority board. The
15 director shall be selected primarily for administrative ability
16 and knowledge in the field and without regard to political
17 affiliation.

18 2. The director shall not, directly or indirectly, exert
19 influence to induce any other officers or employees of the
20 state to adopt a political view or to favor a political
21 candidate for office. The director shall ensure that the
22 authority is operated free from political influence.

23 3. The director shall advise the authority on matters
24 relating to economic development and act on the authority's
25 behalf to carry out all directives from the authority board in
26 regard to the operation of the authority.

27 4. The director shall designate certain employees as
28 key professional personnel and shall classify and fix
29 the compensation of the personnel so designated. The
30 director shall not designate more than five employees as key
31 professional personnel.

32 5. The director shall employ personnel as necessary to
33 carry out the duties and responsibilities of the authority.
34 For nonprofessional employees, employment shall be consistent
35 with chapter 8A, subchapter IV. The employment of professional

1 employees shall be exempt from the provisions of chapter 8A,
2 subchapter IV, and chapter 20.

3 6. A person shall not be employed concurrently by both the
4 authority and the corporation.

5 7. A person leaving employment with the authority shall not
6 be employed by the corporation until a period of two years has
7 passed. A person leaving employment with the corporation shall
8 not be employed by the authority until a period of two years
9 has passed.

10 Sec. 12. NEW SECTION. 15.106E Corporation restricted by
11 rules.

12 The authority shall adopt rules that prevent favoritism
13 and pay-to-play tactics for companies doing business with the
14 corporation.

15 Sec. 13. NEW SECTION. 15.106E Review of authority
16 operations.

17 Commencing July 1, 2014, the general assembly shall conduct a
18 review of the authority and its activities and shall issue a
19 report with findings and recommendations by January 1, 2015.

20 Sec. 14. Section 15.107, Code 2011, is amended by striking
21 the section and inserting in lieu thereof the following:

22 15.107 Economic development corporation.

23 1. The authority shall establish the economic development
24 corporation as a nonprofit corporation organized under chapter
25 504 and qualifying under section 501(c)(3) of the Internal
26 Revenue Code as an organization exempt from taxation. Unless
27 otherwise provided in this subchapter, the corporation is
28 subject to the provisions of chapter 504. The corporation
29 shall be established for the purpose of receiving and
30 disbursing funds from public or private sources to be used to
31 further the overall development and economic well-being of the
32 state.

33 2. The corporation shall collaborate with the authority as
34 described in this subchapter, but the corporation shall not
35 be considered, in whole or in part, an agency, department, or

1 administrative unit of the state.

2 *a.* The corporation shall not receive appropriations from the
3 general assembly.

4 *b.* The corporation shall not be required to comply with
5 any requirements that apply to a state agency, department, or
6 administrative unit and shall not exercise any sovereign power
7 of the state.

8 *c.* The corporation does not have authority to pledge the
9 credit of the state, and the state shall not be liable for
10 the debts or obligations of the corporation. All debts and
11 obligations of the corporation shall be payable solely from the
12 corporation's funds.

13 3. *a.* The corporation shall be established so that
14 donations and bequests to it qualify as tax deductible under
15 state income tax laws and under section 501(c)(3) of the
16 Internal Revenue Code.

17 *b.* The corporation shall be established for the purpose
18 of expanding economic development opportunities in the state
19 of Iowa and for Iowa businesses operating in foreign markets
20 in connection with the public purpose of economic development
21 in Iowa. The corporation may effectuate this purpose by
22 performing certain functions delegated to it by the authority
23 pursuant to section 15.106B.

24 4. The articles of the corporation shall provide for its
25 governance and its efficient management. In providing for its
26 governance, the articles of the corporation shall address the
27 following:

28 *a.* A board of directors to govern the corporation which
29 shall be comprised of seven members initially appointed by the
30 governor and thereafter selected by a majority vote of the
31 board of directors of the corporation. A member of the board
32 of directors shall not serve as a member of the board of the
33 authority.

34 *b.* The appointment of a chief executive officer by the board
35 to manage the corporation's daily operations.

1 *c.* The delegation of such powers and responsibilities
2 to the chief executive officer as may be necessary for the
3 corporation's efficient operation.

4 *d.* The employment of personnel necessary for the efficient
5 performance of the duties assigned to the corporation. All
6 such personnel shall be considered employees of a private,
7 nonprofit corporation and shall be exempt from the personnel
8 requirements imposed on state agencies, departments, and
9 administrative units.

10 *e.* The financial operations of the corporation including the
11 authority to receive and expend funds from public and private
12 sources and to use its property, money, or other resources for
13 the purpose of the corporation.

14 5. The board of directors of the corporation and the chief
15 executive officer shall act to ensure all of the following:

16 *a.* That the corporation review and, at the board's
17 direction, implement the strategic plan developed by the
18 partnership pursuant to section 15.104.

19 *b.* That the corporation prepares an annual budget that
20 includes funding levels for the corporation's activities and
21 that shows sufficient moneys are available to support those
22 activities.

23 *c.* That the corporation prepares an annual report for the
24 authority on the corporation's activities no later than January
25 31 of each year.

26 *d.* That the corporation prepares or causes to be prepared a
27 financial audit conducted by a certified public accountant in
28 accordance with generally accepted accounting principles.

29 *e.* That the corporation annually completes and files an
30 information return as described in section 422.15 and that the
31 information return is submitted to the general assembly.

32 Sec. 15. NEW SECTION. 15.107A **Duties and responsibilities**
33 **of the corporation.**

34 1. The corporation's board of directors and the chief
35 executive officer shall determine the activities and priorities

1 of the corporation within the general parameters of the duties
2 and responsibilities described in this section and in this
3 subchapter.

4 2. The corporation shall, to the extent its articles so
5 provide and within its public purpose, do all of the following
6 with the purpose of increasing innovation in Iowa's economy and
7 bringing more innovative businesses to the state:

8 a. Consult with the Iowa innovation council in the creation
9 of a comprehensive strategic plan as described in section
10 15.117A, subsection 6, paragraph "a".

11 b. Act as an innovation intermediary by aligning local
12 technologies, assets, and resources to work together on
13 advancing innovation.

14 c. Perform any functions delegated by the authority
15 pursuant to section 15.106B. However, the corporation shall
16 not subcontract the performance of a function delegated to the
17 corporation by contract with the authority.

18 d. Encourage, stimulate, and support the development and
19 expansion of the state's economy.

20 e. Develop and implement effective marketing and promotional
21 programs.

22 f. Provide pertinent information to prospective new
23 businesses.

24 g. Formulate and pursue programs for encouraging the
25 location of new businesses in the state and for retaining and
26 fostering the growth of existing businesses.

27 h. Solicit the involvement of the private sector, including
28 support and funding, for economic development initiatives in
29 the state.

30 i. Coordinate the economic development efforts of other
31 state and local entities in an effort to achieve policy
32 consistency.

33 j. Collect and maintain any economic data and research that
34 is relevant to the formulation and implementation of effective
35 policies.

1 *k.* Cooperate with and provide information to state agencies,
2 local governments, community colleges, and the board of
3 regents on economic development matters, including the areas of
4 workforce development and job training.

5 Sec. 16. NEW SECTION. 15.107B Annual reporting
6 requirements.

7 1. On or before January 31 of each year, the director shall
8 submit to the authority board a report that describes the
9 activities of the authority during the preceding fiscal year.
10 The report may include such information as the director deems
11 necessary or as otherwise required by law.

12 2. The report submitted pursuant to subsection 1 shall at a
13 minimum include the following:

14 *a.* A summary of the report filed by December 1 of each year
15 by the department of administrative services with the authority
16 regarding targeted small business procurement activities
17 conducted during the previous fiscal year.

18 *b.* A summary of the report filed by December 1 of each year
19 by the department of inspections and appeals with the authority
20 regarding certifications of targeted small businesses. At a
21 minimum, the summary shall include the number of certified
22 targeted small businesses for the previous year, the increase
23 or decrease in that number during the previous fiscal year
24 compared to the prior fiscal year, and the number of targeted
25 small businesses that have been decertified in the previous
26 fiscal year.

27 *c.* A summary of the internal report compiled by December
28 1 of each year by the authority regarding the targeted small
29 business financial assistance program. At a minimum, the
30 summary shall contain the number of loans, loan guarantees,
31 and grants distributed during the previous fiscal year, the
32 individual amounts provided to targeted small businesses during
33 the previous fiscal year, and how many financial assistance
34 awards to targeted small businesses were the subject of
35 repayment or collection activity during the previous fiscal

1 year.

2 *d.* A list of the procurement goals established pursuant to
3 section 73.16, subsection 2, and compiled by the authority's
4 targeted small business marketing and compliance manager and
5 the performance of each agency in meeting the goals. The
6 performance of each agency shall be determined based upon the
7 reports required pursuant to section 73.16, subsection 2.

8 Sec. 17. NEW SECTION. 15.107C Oversight of corporation.

9 1. In performing delegated functions pursuant to section
10 15.107A or when engaged in activities that utilize public
11 funding, the corporation shall comply with the provisions of
12 this section.

13 2. *a.* The corporation shall submit an annual report to the
14 governor, general assembly, and the auditor of state by January
15 15. The report shall include the corporation's operations and
16 activities during the prior fiscal year to the extent that such
17 operations and activities pertain to the functions delegated
18 to the corporation by the authority, as provided in sections
19 15.106B and 15.107A.

20 *b.* The report shall describe how the operations and
21 activities serve the interests of the state and further
22 economic development.

23 *c.* An annual audit of the corporation performed by a
24 certified public accountant shall be filed with the office of
25 auditor of state and made available to the public.

26 3. The deliberations or meetings of the board of directors
27 of the corporation that pertain to the performance of delegated
28 functions or activities that utilize public funding shall be
29 conducted in accordance with chapter 21.

30 4. All of the following shall be subject to chapter 22:

31 *a.* Minutes of the meetings conducted in accordance with
32 subsection 3.

33 *b.* All records pertaining to the performance by the
34 corporation of delegated functions or activities that utilize
35 public funding.

1 5. Notwithstanding other provisions of this section to the
2 contrary, if the corporation receives confidential information
3 from the authority under the process described in section
4 15.118, the corporation shall comply with the provisions of
5 section 15.118 in the same manner as the authority.

6 Sec. 18. Section 15.108, subsection 1, paragraph b, Code
7 2011, is amended by striking the paragraph.

8 Sec. 19. Section 15.117A, subsection 6, paragraph a, Code
9 2011, is amended to read as follows:

10 a. Create a comprehensive strategic plan for implementing
11 specific policies that further the purpose of the council
12 as described in subsection 5. In creating the plan and
13 implementing such policies, the council may consult with the
14 corporation established pursuant to section 15.107.

15 Sec. 20. REPEAL. Sections 15E.11, 15E.14, 15E.15, and
16 15E.16, Code 2011, are repealed.

17 Sec. 21. CONTINUING VALIDITY OF DEPARTMENT RULES.

18 1. All rules promulgated by the department of economic
19 development shall be valid and enforceable after the
20 elimination of the department as rules promulgated by the
21 economic development authority.

22 2. As soon as practicable, the authority shall adopt revised
23 rules issued under its own rulemaking authority.

24 Sec. 22. TRANSITION OF EMPLOYEES.

25 1. All employees of the department of economic development
26 shall be considered employees of the economic development
27 authority upon the elimination of the former and creation of
28 the latter.

29 2. Such employees shall suffer no loss in years served,
30 sick leave and vacation time accrued, or other benefits of
31 their current employment upon transition to employment with the
32 authority.

33 3. All employees of the department transitioning to
34 employment with the authority shall be considered employees
35 for purposes of chapter 97B and may elect to remain a covered

1 employee or to file an optional exclusion from membership as
2 provided in section 97B.42A.

3 Sec. 23. CONTINUATION OF FINANCIAL ASSISTANCE.

4 1. Any moneys remaining in any account or fund under the
5 control of the department of economic development on the
6 effective date of this Act and relating to the provisions of
7 this Act shall be transferred to a comparable fund or account
8 under the control of the economic development authority for
9 such purposes. Notwithstanding section 8.33, the moneys
10 transferred in accordance with this subsection shall not revert
11 to the account or fund from which appropriated or transferred.

12 2. Any license, permit, or contract issued or entered into
13 by the department of economic development relating to the
14 provisions of this Act in effect on the effective date of this
15 Act shall continue in full force and effect pending transfer
16 of such licenses, permits, or contracts to the economic
17 development authority.

18 3. Financial assistance awards made or provided for
19 in agreements entered into under the Iowa values fund and
20 financial assistance program pursuant to the provisions of
21 chapter 15G prior to the effective date of this Act shall
22 continue as provided in such agreements. Such agreements shall
23 be administered by the economic development authority according
24 to the provisions of chapter 15G.

25 4. Federal funds utilized by the director of the department
26 of economic development prior to the effective date of this Act
27 to employ personnel necessary for the administration of the
28 department's programs shall be applied to and be available for
29 the transfer of such personnel from the department of economic
30 development to the economic development authority.

31 DIVISION II

32 MISCELLANEOUS PROGRAM CHANGES

33 Sec. 24. Section 10B.5, subsection 2, Code 2011, is amended
34 to read as follows:

35 2. Information provided in reports required in this chapter

1 is a confidential record as provided in section 22.7. The
2 attorney general may have access to the reports, and may use
3 information in the reports in any action to enforce state law,
4 including but not limited to chapters 9H, and 9I, ~~and 10C.~~
5 The reports shall be made available to members of the general
6 assembly and appropriate committees of the general assembly
7 in order to determine the extent that agricultural land is
8 held in this state by corporations and other business and
9 foreign entities and the effect of such land ownership upon the
10 economy of this state. The secretary of state shall assist any
11 committee of the general assembly studying these issues.

12 Sec. 25. Section 15G.101, subsection 10, Code 2011, is
13 amended to read as follows:

14 10. "*Fund*" means the ~~grow Iowa values~~ economic development
15 fund created in section 15G.111.

16 Sec. 26. Section 15G.111, subsection 1, unnumbered
17 paragraph 1, Code 2011, is amended to read as follows:

18 ~~A grow Iowa values~~ An economic development fund is created
19 in the state treasury under the control of the ~~department of~~
20 economic development authority consisting of the following:

21 Sec. 27. Section 15G.112, subsection 1, paragraph a, Code
22 2011, is amended to read as follows:

23 a. The department shall establish and administer a ~~grow Iowa~~
24 ~~values~~ an economic development financial assistance program for
25 purposes of providing financial assistance from the fund to
26 applicants. The financial assistance shall be provided from
27 moneys credited to the ~~grow Iowa values~~ economic development
28 fund and not otherwise obligated or allocated pursuant to
29 section 15G.111.

30 Sec. 28. NEW SECTION. 15H.1A Definitions.

31 For purposes of this chapter, unless the context otherwise
32 requires:

33 1. "*Authority*" means the economic development authority
34 created in section 15.105.

35 2. "*Director*" means the director of the authority.

1 Sec. 29. Section 15H.2, subsections 1 and 2, Code 2011, are
2 amended to read as follows:

3 1. ~~The governor shall establish the~~ Iowa commission on
4 volunteer service ~~which shall be part of the governor's office~~
5 is created within the authority. The governor shall appoint
6 the commission's members. The director may employ personnel
7 as necessary to carry out the duties and responsibilities of
8 the commission.

9 2. The mission of the commission is to advise and assist
10 in the development and implementation of a comprehensive,
11 statewide plan for promoting volunteer involvement and citizen
12 participation in Iowa, as well as to serve as the state's
13 liaison to national and state organizations which support the
14 commission's mission. The commission shall also carry out any
15 duties and responsibilities described in the National Community
16 Service Trust Act of 1993 or any related state or federal
17 legislation.

18 Sec. 30. Section 15H.3, subsection 1, Code 2011, is amended
19 by adding the following new paragraph:

20 NEW PARAGRAPH. *k.* Additional ex officio members selected by
21 the commission to the extent that they are not in conflict with
22 the provisions of the National Community Service Trust Act of
23 1993 or any related state or federal legislation.

24 Sec. 31. Section 15H.3, subsection 6, Code 2011, is amended
25 to read as follows:

26 6. The chairperson of the commission shall be selected by
27 ~~the governor and serve at the governor's discretion~~ members of
28 the commission.

29 Sec. 32. Section 15H.4, subsection 1, Code 2011, is amended
30 to read as follows:

31 1. ~~The governor's office~~ authority shall serve as the lead
32 agency for administration of the commission. The authority
33 may consult with the department of education, the state board
34 of regents, and the department of workforce development, ~~and~~
35 ~~the department of economic development shall provide~~ for any

1 additional administrative support as necessary to fulfill the
2 duties of the commission. All other state agencies, at the
3 request of the authority, shall provide assistance to the
4 commission to ensure a fully coordinated state effort for
5 promoting national and community service.

6 Sec. 33. Section 16.6, Code 2011, is amended by adding the
7 following new subsection:

8 NEW SUBSECTION. 5. Notwithstanding subsections 1 through
9 4, for purposes of the Iowa economic development bond bank
10 program described in sections 16.102 through 16.106, the water
11 pollution control works and drinking water facilities financing
12 program described in sections 16.131 through 16.135, and the
13 unsewered community revolving loan program described in section
14 16.141, the executive director shall be the director of the
15 economic development authority created in section 15.105.

16 Sec. 34. Section 175.37, subsection 2, paragraph a, Code
17 2011, is amended to read as follows:

18 a. Be a person who may acquire or otherwise obtain or lease
19 agricultural land in this state pursuant to chapter 9H or 9I.
20 However, the taxpayer must not be a person who may acquire
21 or otherwise obtain or lease agricultural land exclusively
22 because of an exception provided in one of those chapters or in
23 a provision of another chapter of this Code including but not
24 limited to chapter 10, ~~10C,~~ 10D, or 501, or section 15E.207.

25 Sec. 35. REPEAL. Chapter 10C, Code 2011, is repealed.

26 DIVISION III

27 OFFICE OF ENERGY INDEPENDENCE TRANSFERRED

28 Sec. 36. Section 11.5B, subsection 15, Code 2011, is amended
29 by striking the subsection.

30 Sec. 37. Section 15H.6, subsection 1, Code 2011, is amended
31 to read as follows:

32 1. The Iowa commission on volunteer service, in
33 collaboration with the department of natural resources, the
34 department of workforce development, ~~the office of energy~~
35 ~~independence,~~ and the utilities board of the department of

1 commerce, shall establish an Iowa green corps program. The
2 commission shall work with the collaborating agencies and
3 nonprofit agencies in developing a strategy for attracting
4 additional financial resources for the program from other
5 sources which may include but are not limited to utilities,
6 private sector, and local, state, and federal government
7 funding sources. The financial resources received shall be
8 credited to the community programs account created pursuant to
9 section 15H.5.

10 Sec. 38. Section 22.7, subsection 60, Code 2011, is amended
11 by striking the subsection.

12 Sec. 39. Section 103A.8B, Code 2011, is amended to read as
13 follows:

14 **103A.8B Sustainable design or green building standards.**

15 The commissioner, after consulting with and receiving
16 recommendations from the department of natural resources
17 ~~and the office of energy independence~~, shall adopt rules
18 pursuant to chapter 17A specifying standards and requirements
19 for sustainable design and construction based upon or
20 incorporating nationally recognized ratings, certifications,
21 or classification systems, and procedures relating to
22 documentation of compliance. The standards and requirements
23 shall be incorporated into the state building code established
24 in section 103A.7, but in lieu of general applicability shall
25 apply to construction projects only if such applicability is
26 expressly authorized by statute, or as established by another
27 state agency by rule.

28 Sec. 40. Section 268.6, subsection 2, Code 2011, is amended
29 to read as follows:

30 2. The university is encouraged to cooperate with
31 agricultural and energy efficiency advocates and governmental
32 entities in administering the program, ~~including the office of~~
33 ~~energy independence established pursuant to section 469.2.~~

34 Sec. 41. Section 470.1, Code 2011, is amended by adding the
35 following new subsection:

1 NEW SUBSECTION. 01. "*Authority*" means the economic
2 development authority created in section 15.105.

3 Sec. 42. Section 470.1, subsection 2, Code 2011, is amended
4 to read as follows:

5 2. "*Director*" means the director of the ~~office of energy~~
6 independence economic development authority.

7 Sec. 43. Section 470.1, subsection 8, Code 2011, is amended
8 by striking the subsection.

9 Sec. 44. Section 473.1, Code 2011, is amended by adding the
10 following new subsection:

11 NEW SUBSECTION. 1A. "*Authority*" means the economic
12 development authority created in section 15.105.

13 Sec. 45. Section 473.1, subsection 3, Code 2011, is amended
14 to read as follows:

15 3. "*Director*" means the director of the ~~office~~ authority or
16 a designee.

17 Sec. 46. Section 473.1, subsection 5, Code 2011, is amended
18 by striking the subsection.

19 Sec. 47. REPEAL. Section 455B.851, Code 2011, is repealed.

20 Sec. 48. REPEAL. Chapter 469, Code 2011, is repealed.

21 Sec. 49. CODE EDITOR DIRECTIVE.

22 1. The Code editor is directed to change the words "office
23 of energy independence" to "economic development authority"
24 in Code sections 7D.34, 7D.35, 8A.362, 72.5, 103A.8, 103A.27,
25 159A.3, 159A.6B, 266.39C, 272C.2, 279.44, 323A.2, 441.21,
26 476.6, and 476.63.

27 2. The Code editor is directed to change the word "office"
28 to "authority" in Code sections 470.3, 470.7, 473.7, 473.8,
29 473.10, 473.13A, 473.15, 473.19, 473.19A, 473.20, 473.20A, and
30 473.41.

31 Sec. 50. TRANSITION PROVISIONS — CONTINUATION OF GRANTS.

32 1. Any moneys remaining in any account or fund under the
33 control of the office of energy independence on the effective
34 date of this Act relative to the provisions of this Act
35 shall be transferred to a comparable fund or account under

1 the control of the economic development authority for such
2 purposes. Notwithstanding section 8.33, the moneys transferred
3 in accordance with this subsection shall not revert to the
4 account or fund from which appropriated or transferred.

5 2. Any license, permit, or contract issued or entered into
6 by the office of energy independence relating to the provisions
7 of this Act in effect on the effective date of this Act shall
8 continue in full force and effect pending transfer of such
9 licenses, permits, or contracts to the authority.

10 3. Grants or loans awarded from the Iowa power fund pursuant
11 to section 469.9 prior to the effective date of this Act shall
12 continue as provided by the terms of the grants or loans and
13 shall be administered by the authority.

14 4. Federal funds utilized by the director of the office
15 of energy independence prior to the effective date of this
16 Act to administer the provisions of a federal grant under the
17 provisions of this Act shall be applicable to the authority for
18 the same purposes.

19 Sec. 51. TRANSITION PROVISIONS — EMERGENCY

20 RULEMAKING. Not later than July 1, 2011, the economic
21 development authority shall adopt administrative rules
22 previously adopted by the office of energy independence
23 relative to the provisions of this Act in existence on the
24 effective date of this Act by emergency rulemaking pursuant
25 to section 17A.4, subsection 3, and section 17A.5, subsection
26 2, paragraph "b". The rules shall be effective immediately
27 upon filing unless a later date is specified in the rules.
28 Any rules adopted in accordance with this section shall also
29 be published as a notice of intended action as provided in
30 section 17A.4. Any rule, regulation, form, order, or directive
31 promulgated by the office relative to the provisions of
32 this Act shall continue in full force and effect until such
33 emergency rules are adopted.

34 Sec. 52. EFFECTIVE UPON ENACTMENT. The sections of this
35 division of this Act providing for emergency rulemaking,

1 and repealing section 455B.851, being deemed of immediate
2 importance, take effect upon enactment.

3 DIVISION IV

4 CONFORMING CHANGES

5 Sec. 53. Section 7E.5, subsection 1, paragraph g, Code 2011,
6 is amended to read as follows:

7 *g.* The ~~Iowa department of~~ economic development authority,
8 created in section 15.105, which has ~~primary~~ responsibility
9 for ~~programs for carrying out~~ ensuring that the economic
10 development policies of the state are effectively and
11 efficiently carried out.

12 Sec. 54. Section 15.327, Code 2011, is amended by adding the
13 following new subsection:

14 NEW SUBSECTION. 01. "*Authority*" means the economic
15 development authority created in section 15.105.

16 Sec. 55. Section 15.327, subsection 5, Code 2011, is amended
17 by striking the subsection.

18 Sec. 56. Section 15E.1, Code 2011, is amended to read as
19 follows:

20 **15E.1 Definition.**

21 As used in this chapter, unless the context otherwise
22 requires, ~~"department"~~ "*authority*" means the ~~Iowa department of~~
23 economic development authority created in section 15.105.

24 Sec. 57. Section 15E.64, subsection 2, paragraph a, Code
25 2011, is amended to read as follows:

26 *a.* The chairperson of the ~~Iowa economic development board~~
27 authority or a designee of the chairperson.

28 Sec. 58. Section 15E.64, subsection 3, Code 2011, is amended
29 to read as follows:

30 3. After incorporation, the initial board of directors
31 shall be elected by the members of an appointment committee.
32 The members of the appointment committee shall be appointed by
33 the ~~Iowa economic development board~~ authority. The initial
34 board of directors shall consist of five members. The persons
35 elected to the initial board of directors by the appointment

1 committee shall include persons who have an expertise in
2 the areas of the selection and supervision of investment
3 managers or in the fiduciary management of investment funds,
4 and other areas of expertise as deemed appropriate by the
5 appointment committee. After the election of the initial
6 board of directors, vacancies in the board of directors of the
7 corporation shall be elected by the remaining directors of
8 the corporation. Members of the board of directors shall be
9 subject to any restrictions on conflicts of interest specified
10 in the organizational documents and shall have no interest in
11 any venture capital investment fund allocation manager selected
12 by the corporation pursuant to the provisions of this division
13 or in any investments made by the Iowa fund of funds.

14 Sec. 59. Section 15E.120, Code 2011, is amended by adding
15 the following new subsection:

16 NEW SUBSECTION. 6. On the effective date of this Act, the
17 economic development authority shall assume responsibility for
18 the administration of this section.

19 Sec. 60. Section 15E.202, subsection 9, Code 2011, is
20 amended by striking the subsection.

21 Sec. 61. Section 15E.202, subsection 10, Code 2011, is
22 amended to read as follows:

23 10. "*Economic development board authority*" or "*authority*"
24 means the economic development ~~board~~ authority created pursuant
25 to section ~~15.103~~ 15.105.

26 Sec. 62. Section 15E.206, subsection 2, paragraph a, Code
27 2011, is amended to read as follows:

28 a. ~~The chairperson~~ A member of the economic development
29 ~~board~~ authority chosen by the members of the authority or a
30 designee of the ~~chairperson~~ member.

31 Sec. 63. Section 15E.206, subsection 3, paragraphs a and d,
32 Code 2011, are amended to read as follows:

33 a. After incorporation, such a corporation shall be
34 organized by an initial board of directors as provided in
35 chapter 490, division II. The initial board of directors shall

1 be elected by the members of an appointment committee. The
2 members of the appointment committee shall be appointed by
3 the economic development ~~board~~ authority. The initial board
4 of directors shall consist of seven members. The members of
5 the appointment committee shall include persons who have an
6 expertise in areas of banking, agricultural lending, business
7 development, agricultural production and processing, seed and
8 venture capital investment, and other areas of expertise as
9 deemed appropriate by the interim board of directors.

10 d. The department shall assist the incorporators and the
11 appointment committee in any manner determined necessary and
12 appropriate by the economic development ~~board~~ authority and the
13 director of the ~~department~~ authority in order to administer
14 this section.

15 Sec. 64. Section 15E.208, subsection 3, paragraph b,
16 subparagraph (2), subparagraph division (d), Code 2011, is
17 amended to read as follows:

18 (d) Notwithstanding any provision of this division to
19 the contrary, the corporation shall repay the department of
20 economic development, or its successor entity, the principal
21 balance of the Iowa agricultural industry finance loan
22 beginning on October 1, 2007. The principal balance of
23 the loan equals twenty-one million five hundred seventeen
24 thousand two hundred thirty-nine dollars. The corporation
25 shall repay the department of economic development, or its
26 successor entity, five hundred seventeen thousand two hundred
27 thirty-nine dollars by October 1, 2007, and for each subsequent
28 year the corporation shall repay the department, or its
29 successor entity, at least one million dollars by October
30 1 until the total principal balance of the loan is repaid.
31 This subparagraph ~~division~~ shall not be construed to limit
32 the ~~department's~~ authority of the department of economic
33 development, or its successor entity, to negotiate the payment
34 of interest accruing on the principal balance which shall be
35 paid ~~to the department~~ as provided by an agreement executed by

1 the department of economic development and the corporation.

2 Sec. 65. Section 15E.208, subsection 4, paragraph c, Code
3 2011, is amended to read as follows:

4 c. A member of the economic development ~~board~~ authority, an
5 employee of the ~~department of economic development~~ authority,
6 an elected state official, or any director or other officer or
7 an employee of the corporation.

8 Sec. 66. Section 15E.351, subsection 1, Code 2011, is
9 amended to read as follows:

10 1. The ~~department~~ economic development authority shall
11 establish and administer a business accelerator program
12 to provide financial assistance for the establishment and
13 operation of a business accelerator for technology-based,
14 value-added agricultural, information solutions, alternative
15 and renewable energy including the alternative and renewable
16 energy sectors listed in section 476.42, subsection 1,
17 paragraph "a", or advanced manufacturing start-up businesses
18 or for a satellite of an existing business accelerator. The
19 program shall be designed to foster the accelerated growth of
20 new and existing businesses through the provision of technical
21 assistance. The ~~department, subject to the approval of the~~
22 ~~economic development board,~~ authority may provide financial
23 assistance under this section from moneys allocated for
24 regional financial assistance pursuant to section 15G.111,
25 subsection 9.

26 Sec. 67. Section 15F.101, Code 2011, is amended by adding
27 the following new subsection:

28 NEW SUBSECTION. 01. "Authority" means the economic
29 development authority created in section 15.105.

30 Sec. 68. Section 15F.101, subsection 2, Code 2011, is
31 amended by striking the subsection.

32 Sec. 69. Section 15G.101, Code 2011, is amended by adding
33 the following new subsection:

34 NEW SUBSECTION. 01. "Authority" means the economic
35 development authority created in section 15.105.

1 Sec. 70. Section 15G.101, subsection 3, Code 2011, is
2 amended by striking the subsection.

3 Sec. 71. Section 15G.101, subsection 6, Code 2011, is
4 amended by striking the subsection.

5 Sec. 72. Section 15G.115, subsection 2, paragraph a, Code
6 2011, is amended by striking the paragraph.

7 Sec. 73. Section 15G.201, Code 2011, is amended by adding
8 the following new subsection:

9 NEW SUBSECTION. 01. "*Authority*" means the economic
10 development authority created in section 15.105.

11 Sec. 74. Section 15G.201, subsection 2, Code 2011, is
12 amended by striking the subsection.

13 Sec. 75. Section 97B.1A, subsection 8, paragraph a, Code
14 2011, is amended by adding the following new subparagraph:

15 NEW SUBPARAGRAPH. (12) Persons employed by the economic
16 development authority on or after July 1, 2011.

17 Sec. 76. Section 260F.2, Code 2011, is amended by adding the
18 following new subsection:

19 NEW SUBSECTION. 1A. "*Authority*" means the economic
20 development authority created in section 15.105.

21 Sec. 77. Section 260F.2, subsection 4, Code 2011, is amended
22 by striking the subsection.

23 Sec. 78. Section 260G.4C, Code 2011, is amended to read as
24 follows:

25 **260G.4C Facilitator.**

26 The ~~department of~~ economic development authority shall
27 administer the statewide allocations of program job credits
28 to accelerated career education programs. The ~~department~~
29 authority shall provide information about the accelerated
30 career education programs in accordance with its annual
31 reporting requirements in section ~~15.104, subsection 8~~ 15.107B.

32 Sec. 79. Section 260G.6, subsection 4, Code 2011, is amended
33 to read as follows:

34 4. In order to receive moneys pursuant to this section,
35 a program agreement approved by the community college board

1 of directors shall be in place, program capital cost requests
2 shall be approved by the ~~Iowa~~ economic development ~~board~~
3 authority created in section ~~15.103~~ 15.105, program capital
4 cost requests shall be approved or denied not later than sixty
5 days following receipt of the request by the ~~department of~~
6 economic development authority, and employer contributions
7 toward program capital costs shall be certified and agreed to
8 in the agreement.

9 Sec. 80. Section 403.19A, subsection 2, Code 2011, is
10 amended to read as follows:

11 2. *a.* An eligible city may apply ~~to the department of~~
12 ~~economic development to be designated~~ for designation as a
13 pilot project city pursuant to this subsection. An eligible
14 city is a city that contains three or more census tracts and is
15 located in a county meeting one of the following requirements:

16 (1) A county that borders Nebraska.

17 (2) A county that borders South Dakota.

18 (3) A county that borders a state other than Nebraska or
19 South Dakota.

20 *b.* (1) The department of economic development shall approve
21 four eligible cities as pilot project cities, one pursuant to
22 paragraph "a", subparagraph (1), one pursuant to paragraph
23 "a", subparagraph (2), and two pursuant to paragraph "a",
24 subparagraph (3). If two eligible cities are approved which
25 are located in the same county and the county has a population
26 of less than forty-five thousand, the two approved eligible
27 cities shall be considered one pilot project city. If more
28 than two cities meeting the requirements of paragraph "a",
29 subparagraph (3), apply to be designated as a pilot project
30 city, the department of economic development shall determine
31 which two cities hold the most potential to create new jobs or
32 generate the greatest capital within their areas. Applications
33 from eligible cities filed on or after October 1, 2006, shall
34 not be considered.

35 (2) If a pilot project city does not enter into a

1 withholding agreement within one year of its approval as a
2 pilot project city, the city shall lose its status as a pilot
3 project city. If two pilot project cities are located in the
4 same county, the loss of status by one pilot project city shall
5 not cause the second pilot project city in the county to lose
6 its status as a pilot project city. Upon such occurrence, the
7 department of economic development shall take applications from
8 other eligible cities to replace that city. Another city shall
9 be designated within six months.

10 (3) On the effective date of this Act, the economic
11 development authority shall assume responsibility for the
12 administration of this subsection.

13 Sec. 81. Section 496B.2, Code 2011, is amended by adding the
14 following new subsection:

15 NEW SUBSECTION. 01. "Authority" means the economic
16 development authority created in section 15.105, or any entity
17 which succeeds to the functions of the authority.

18 Sec. 82. Section 496B.2, subsection 2, Code 2011, is amended
19 by striking the subsection.

20 Sec. 83. CODE EDITOR DIRECTIVE. Sections 15.116, 15.247,
21 15.293A, 15.294, 15.335A, 15E.64, 15E.206, 15E.351, 15G.101,
22 68B.35, and 308.1, Code 2011, are amended as follows:

23 1. By striking from the sections the words "economic
24 development board" and inserting in lieu thereof the words
25 "economic development authority".

26 2. By striking from the sections the word "board", when
27 referring to the economic development board, and inserting in
28 lieu thereof the word "authority".

29 Sec. 84. CODE EDITOR DIRECTIVE. Sections 7C.4A, 7E.5,
30 8.6, 8.31, 12.38, 12.73, 15.108, 15.109, 15.115, 15.117A,
31 15.247, 15.273, 15.274, 15.293A, 15.294, 15.295, 15.313,
32 15.333, 15.335A, 15.393, 15.411, 15.421, 15A.9, 15E.17, 15E.19,
33 15E.64, 15E.116, 15E.117, 15E.192, 15E.193, 15E.193B, 15E.194,
34 15E.195, 15E.196, 15E.197, 15E.206, 15E.208, 15E.311, 15E.351,
35 15F.102, 15G.101, 15G.109, 15G.110, 15G.111, 15H.5, 15H.6,

1 16.100A, 16.135, 16.191, 19B.7, 22.7, 28I.8, 28J.28, 28L.1,
2 28N.2, 28N.3, 73.16, 73.17, 73.18, 73.19, 73.20, 84A.1A, 84A.5,
3 84A.6, 99F.6, 99F.11, 123.143, 123.183, 159.18, 159.20, 159A.3,
4 159A.6B, 184.6, 185.3, 185C.10, 231.51, 239B.8, 239B.17,
5 256.31, 256.39, 256.40, 260C.18A, 260F.6, 260F.6B, 260F.7,
6 260G.3, 260G.4B, 260G.4C, 260G.6, 262.34A, 262B.3, 268.4,
7 303.3B, 303.3C, 306D.2, 307.49, 307C.3, 321.19, 321.252, 335.8,
8 352.4, 368.9, 403.19A, 403.21, 403.22, 404A.4, 422.16A, 422.33,
9 427B.1, 455B.199B, 455B.433, 455E.11, 455J.6, 461A.79, 461A.80,
10 465A.2, 465B.3, 466B.3, 483A.24, 496B.3, 496B.6, 496B.12,
11 496B.17, Code 2011, are amended as follows:

12 1. By striking from the sections the words "department of
13 economic development" and inserting in lieu thereof the words
14 "economic development authority".

15 2. By striking from the sections the words "Iowa department
16 of economic development" and inserting in lieu thereof the
17 words "economic development authority".

18 3. By striking from the sections the word "department",
19 when referring to the department of economic development, and
20 inserting in lieu thereof the word "authority".

21 Sec. 85. CODE EDITOR DIRECTIVE. Sections 15E.231, 15E.232,
22 15E.233, 15G.110, 15G.111, 15G.114, 15G.115, 159A.6B, 266.19,
23 455B.104, and 455B.433, Code 2011, are amend as follows:

24 1. By striking from the sections the words "grow Iowa
25 values fund" and inserting in lieu thereof the words "economic
26 development fund".

27 2. By striking from the sections the words "grow Iowa values
28 financial assistance program" and inserting in lieu thereof the
29 words "economic development financial assistance program".

30 Sec. 86. CODE EDITOR DIRECTIVE.

31 1. To the extent not amend or identified by the provisions
32 of this Act, the Code editor is directed to correct all
33 internal references to the economic development board, the
34 department of economic development, the director of the
35 department of economic development, the grow Iowa values

1 fund, and the grow Iowa values financial assistance program
2 by replacing such references with references to the economic
3 development authority, the director of the economic development
4 authority, the economic development fund, and the economic
5 development financial assistance program, as is appropriate
6 to the context and to the extent that such corrections are in
7 conformance with the intent of this Act.

8 2. The Code editor is also directed to correct in the same
9 manner all similar references in any enacted Iowa Acts as
10 necessary.

11 DIVISION V

12 INDUSTRIAL NEW JOBS TRAINING

13 Sec. 87. Section 260E.7, Code 2011, is amended to read as
14 follows:

15 **260E.7 ~~Department of economic development~~ Program review by**
16 **economic development authority.**

17 1. The ~~Iowa department of~~ economic development authority,
18 in consultation with the department of education, the
19 department of revenue, and the department of workforce
20 development, shall coordinate and review the new jobs training
21 program. The ~~Iowa department of~~ economic development authority
22 shall adopt, amend, and repeal rules under chapter 17A that the
23 community college will use in developing projects with new and
24 expanding industrial new jobs training proposals and that the
25 economic development authority shall use to review and report
26 on the new jobs training program as required in this section.

27 2. a. The authority, in consultation with the community
28 colleges participating in the new jobs training program
29 pursuant to this chapter, shall identify the information
30 necessary to effectively coordinate and review the program, and
31 the community colleges shall provide such information to the
32 authority. Using the information provided, the authority, in
33 consultation with the community colleges, shall issue a report
34 on the effectiveness of the program.

35 b. In coordinating and reviewing the program, due regard

1 shall be given to the confidentiality of certain information
2 provided by the community colleges, and the authority shall
3 comply with the provisions of section 15.118 to the extent
4 that such provisions are applicable to the new jobs training
5 program.

6 3. The ~~department~~ authority is authorized to make any rule
7 that is adopted, amended, or repealed effective immediately
8 upon filing with the administrative rules coordinator or at
9 a subsequent stated date prior to indexing and publication,
10 or at a stated date less than thirty-five days after filing,
11 indexing, and publication.