

# JOURNAL OF THE SENATE

## EXTRAORDINARY SESSION

---

FIRST CALENDAR DAY  
FIRST SESSION DAY

Senate Chamber  
Des Moines, Iowa, Tuesday, September 7, 2004

Pursuant to the proclamation of the Governor, the Honorable Thomas J. Vilsack, convening the Eightieth General Assembly in Extraordinary Session, the Senate was called to order at 10:17 a.m. by the Honorable Jeff Lamberti, President of the Senate.

Prayer was offered by the Honorable Ken Veenstra, member of the Senate from Sioux County, Orange City, Iowa.

### LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator Larson, excused for the 2004 Extraordinary Session because he is serving in the military in Iraq, on request of Senator Iverson; and Senator Connolly, for the day, on request of Senator Gronstal.

### COMMUNICATION FROM THE GOVERNOR

The following communication from the Governor was presented:

August 31, 2004

The Honorable Jeff Lamberti  
President of the Senate  
State Capitol  
LOCAL

The Honorable Christopher Rants  
Speaker of the House  
State Capitol  
LOCAL

Dear Legislative Leaders:

The Iowa Supreme Court filed a decision on a case nullifying the Iowa Values Fund on June 16, 2004. The last few weeks have created a sense of uncertainty about the future of the fund and the existing obligations as we have worked to reach a compromise. It is essential that we continue the success of this economic growth effort and bring quick resolution to this issue. As a result, I am outlining for you today my list of items that I am willing to sign into law. I expect a single-day special session with no other bills or topics.

In an effort to avoid further litigation, I respectfully suggest the following be drafted to comply with the Iowa State Constitution:

1. Reinstate banking provisions (Division XVII in HF 692).
2. Reinstate supersedeas bond (as approved in section 115, in HF 692 and SF 2306).
3. Eliminate unemployment insurance surcharge and credit the surcharge paid in 2004 back to employers. Provide general fund appropriation to fund Workforce Development field offices through December 2006.
4. Appropriate resources from federal stimulus grant in the amount of \$100 million to fund Iowa Values as outlined in HF 692.
5. Allow corporations to couple with the federal accelerated depreciation schedule in the federal stimulus packages; the 50 percent depreciation and the Section 179 expensing deduction change, and increase from \$25,000 to \$100,000, the amount that can be deducted.
6. I am willing to accept the full recommendation made by Workers' Compensation Commissioner, Mike Trier, in his communication to leaders August 24, 2004.

Now is the time to move forward in aggressively pursuing economic opportunities for all Iowans. Iowans have an expectation that state policy leaders will work together for the good of every citizen. Together, through our determined efforts, we have shown to our citizens that it is possible for compromise and consensus to prevail, even in an election year.

I hereby submit the Proclamation setting the Extraordinary Session of the Iowa Legislature to convene at 10:00 a.m., Tuesday, September 7, 2004.

Sincerely,  
THOMAS J. VILSACK  
Governor

**STATE OF IOWA**  
***Executive Department***

In The Name And By The Authority Of The State Of Iowa

**P R O C L A M A T I O N**

**Whereas**, the 2004 Regular Session of the Eightieth General Assembly adjourned pursuant to Senate Concurrent Resolution 118, and

**Whereas**, the Iowa Supreme Court filed a decision on a case nullifying the Iowa Values Fund on June 16, 2004, and

**Whereas**, Iowa has entered a new era of economic and social competition from around the globe. With our action on the legislation of this Extraordinary Session, Iowa will strengthen its standing in the marketplace as a focused and dedicated state of opportunity. Further, Iowa is a state that remains a leader in education and health care and an outstanding quality of life, and

**Whereas**, economic opportunity and security is in the best interest of all Iowans. The Iowa Values Fund establishes our state as an even better place to do business and focuses our ability to recruit the life sciences, information solutions, and advanced manufacturing companies of the next generation, and

**Whereas**, it is essential that we continue the success of this economic growth effort and bring quick resolution to this issue, and

**Now, Therefore**, I, Thomas J. Vilsack, Governor of the State of Iowa, in accordance with Article IV, Section XI, of the Constitution of the State of Iowa, do hereby proclaim that the Eightieth General Assembly shall convene in Extraordinary Session in Des Moines, Iowa, at 10:00 a.m. on the 7th day of September, 2004, and to that end I do call up and direct the members of the House of Representatives to convene in the House chamber at the State Capitol and members of the Senate to convene in the Senate chamber at the State Capitol at 10:00 a.m. on the 7th day of September, 2004, for the purpose for which the assembly is convened, namely the matter of the Iowa Values Fund that is essential for the economic security of our state, and matters properly related thereto.

(SEAL)

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the Great Seal of the State of Iowa to be affixed. Done at Des Moines, Iowa, this 27th day of August in the year of our Lord two thousand four.

THOMAS J. VILSACK, Governor

Attest:

CHESTER J. CULVER  
Secretary of State

## ORGANIZATION OF THE SENATE

Senator Iverson moved that the selection of seats, determination of mileage of senators, assignment of press seats, and all other organizational or administrative matters not specifically provided for in Joint Rule 3 be the same for this Extraordinary Session as for the 2004 Regular Session of the Eightieth General Assembly.

The motion prevailed by a voice vote.

### SECRETARY TO NOTIFY THE GOVERNOR AND THE HOUSE

Senator Iverson moved that the Secretary of the Senate be directed to send a written message to the Governor and the House of Representatives informing them that the Senate was organized and ready to transact business and receive any messages that they may transmit.

The motion prevailed by a voice vote.

### HOUSE MESSAGE RECEIVED

The following message was received from the Chief Clerk of the House:

MR. PRESIDENT: I am directed to inform your honorable body that the House has, pursuant to the August 27, 2004, proclamation of the Governor, **duly organized** for the Extraordinary Session of the Eightieth General Assembly and is ready to receive communications from the Senate.

The Senate stood at ease at 10:26 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 12:01 p.m., President Lamberti presiding.

### RECESS

On motion of Senator Iverson, the Senate recessed at 12:02 p.m. until the completion of a meeting of the committee on Ways and Means.

The Senate resumed session at 1:50 p.m., President Lamberti presiding.

## INTRODUCTION OF BILLS

**Senate File 2311**, by committee on Appropriations, a bill for an act relating to appropriations for economic development purposes, workforce development field offices, workforce training and economic development funds of community colleges, and including effective date and retroactive applicability provisions.

Read first time and **placed on Appropriations calendar.**

**Senate File 2312**, by committee on Ways and Means, a bill for an act concerning regulatory, taxation, and statutory requirements affecting individuals and business relating to economic development, workers' compensation, financial services, unemployment compensation employer surcharges, income taxation bonus depreciation and expensing allowances, and civil action appeal bonds, and including effective date, applicability, and retroactive applicability provisions.

Read first time and **placed on Ways and Means calendar.**

## SPECIAL GUEST

The Senate welcomed to the Senate chamber U.S. Ambassador Mary Kramer of Barbados, former President of the Senate from Polk County.

The Senate rose and expressed its welcome.

## FINAL COMMITTEE REPORT OF BILL ACTION

### APPROPRIATIONS

**Bill Title:** SENATE FILE 2311 (SSB 3179), a bill for an act relating to appropriations for economic development purposes, workforce development field offices, workforce training and economic development funds of community colleges, and including effective date and retroactive applicability provisions.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 23: Angelo, Lamberti, Dvorsky, Behn, Black, Bolkcom, Dotzler, Fraise, Gaskill, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Ziemann. Nays, 1: Hatch. Absent, 1: Connolly.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## CONSIDERATION OF BILL (Appropriations Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 2311.

### Senate File 2311

On motion of Senator Angelo, **Senate File 2311**, a bill for an act relating to appropriations for economic development purposes, workforce development field offices, workforce training and economic development funds of community colleges, and including effective date and retroactive applicability provisions, was taken up for consideration.

(Action on Senate File 2311 was deferred.)

The Senate stood at ease at 1:55 p.m. until the fall of the gavel for the purpose of a Democratic caucus.

The Senate resumed session at 3:47 p.m., President Lamberti presiding.

## RECESS

On motion of Senator Iverson, the Senate recessed at 3:48 p.m. until the completion of a meeting of the committee on Rules and Administration.

## RECONVENED

The Senate reconvened at 3:56 p.m., President Lamberti presiding.

## INTRODUCTION OF RESOLUTIONS

**Senate Concurrent Resolution 119**, by committee on Rules and Administration, a concurrent resolution to provide for adjournment sine die.

Read first time and **placed on calendar**.

**Senate Resolution 181**, by committee on Rules and Administration, a resolution to honor the Meskwaki tribe members who served as Code Talkers in North Africa during World War II and to request that Congress and the President of the United States honor all Code Talkers who served in the United States armed forces.

Read first time and **placed on calendar**.

**Senate Resolution 182**, by committee on Rules and Administration, a resolution recognizing the freedom-loving people of the nation of Poland.

Read first time and **placed on calendar**.

## FINAL COMMITTEE REPORTS OF BILL ACTION

## RULES AND ADMINISTRATION

**Final Bill Action:** SENATE RESOLUTION 181, a resolution to honor the Meskwaki tribe members who served as Code Talkers in North Africa during World War II and to request that Congress and the President of the United States honor all Code Talkers who served in the United States armed forces.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 9: Iverson, Lamberti, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, and Sievers. Nays, none. Absent, 2: Ragan and Wieck.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE RESOLUTION 182, a resolution recognizing the freedom-loving people of the nation of Poland.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 9: Iverson, Lamberti, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, and Sievers. Nays, none. Absent, 2: Ragan and Wieck.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 181.

#### **Senate Resolution 181**

On motion of Senator Iverson, **Senate Resolution 181**, a resolution to honor the Meskwaki tribe members who served as Code Talkers in North Africa during World War II and to request that Congress and the President of the United States honor all Code Talkers who served in the United States armed forces, was taken up for consideration.

Senator Iverson moved the adoption of Senate Resolution 181, which motion prevailed by a voice vote.

### CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 182.

#### **Senate Resolution 182**

On motion of Senator Iverson, **Senate Resolution 182**, a resolution recognizing the freedom-loving people of the nation of Poland, was taken up for consideration.

Senator Iverson moved the adoption of Senate Resolution 182, which motion prevailed by a voice vote.

The Senate stood at ease at 4:00 p.m. until the fall of the gavel.

The Senate resumed session at 5:10 p.m., President Lamberti presiding.

## BUSINESS PENDING

**Senate File 2311**

The Senate resumed consideration of **Senate File 2311**, a bill for an act relating to appropriations for economic development purposes, workforce development field offices, workforce training and economic development funds of community colleges, and including effective date and retroactive applicability provisions, previously deferred.

Senator Gronstal offered amendment S-5409, filed by Senator Gronstal, et al., from the floor striking and replacing everything after the enacting clause and to the title page of the bill, and moved its adoption.

A record roll call was requested.

On the question “Shall amendment S-5409 be adopted?” (S.F. 2311), the vote was:

Yeas, 19:

Beall	Dvorsky	Horn	Ragan
Black	Fraise	Kibbie	Seng
Bolkcom	Gronstal	Kreiman	Stewart
Courtney	Hatch	McCoy	Warnstadt
Dotzler	Holveck	Quirmbach	

Nays, 29:

Angelo	Houser	Miller	Tinsman
Behn	Iverson	Putney	Veenstra
Boettger	Johnson	Redfern	Ward
Brunkhorst	Kettering	Rehberg	Wieck
Dearden	Lamberti	Schuerer	Zieman
Drake	Lundby	Seymour	
Gaskill	McKibben	Shull	
Hosch	McKinley	Sievers	

Absent, 2:

Connolly	Larson
----------	--------

Amendment S-5409 lost.

Senator Angelo moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 2311), the vote was:

Yeas, 45:

Angelo	Gaskill	Lundby	Shull
Beall	Gronstal	McCoy	Sievers
Behn	Holveck	McKibben	Stewart
Black	Horn	McKinley	Tinsman
Boettger	Hosch	Putney	Veenstra
Bolkcom	Houser	Quirnbach	Ward
Brunkhorst	Iverson	Ragan	Warnstadt
Courtney	Johnson	Redfern	Wieck
Dotzler	Kettering	Rehberg	Zieman
Drake	Kibbie	Schuerer	
Dvorsky	Kreiman	Seng	
Fraise	Lamberti	Seymour	

Nays, 3:

Dearden	Hatch	Miller
---------	-------	--------

Absent, 2:

Connolly	Larson
----------	--------

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 2311** be **immediately messaged** to the House.

### HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MR. PRESIDENT: I am directed to inform your honorable body that the House has on September 7, 2004, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 2581**, a bill for an act concerning regulatory, taxation, and statutory requirements affecting individuals and business relating to economic development, workers' compensation, financial services, unemployment compensation employer surcharges, income taxation bonus depreciation and expensing allowances, and civil action appeal bonds, and including effective date, applicability, and retroactive applicability provisions.

Read first time and **attached to companion Senate File 2312**.

## FINAL COMMITTEE REPORT OF BILL ACTION

### WAYS AND MEANS

**Final Bill Action:** SENATE FILE 2312 (SSB 3180), a bill for an act concerning regulatory, taxation, and statutory requirements affecting individuals and business relating to economic development, workers' compensation, financial services, unemployment compensation employer surcharges, income taxation bonus depreciation and expensing allowances, and civil action appeal bonds, and including effective date, applicability, and retroactive applicability provisions.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 10: McKibben, Shull, Angelo, Hosch, McKinley, Miller, Putney, Rehberg, Sievers, and Wieck. Nays, 6: Bolcom, Dotzler, McCoy, Quirnbach, Seng, and Stewart. Absent, 1: Connolly.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## CONSIDERATION OF BILL (Ways and Means Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 2312.

### Senate File 2312

On motion of Senator Wieck, **Senate File 2312**, a bill for an act concerning regulatory, taxation, and statutory requirements affecting individuals and business relating to economic development, workers' compensation, financial services, unemployment compensation employer surcharges, income taxation bonus depreciation and expensing allowances, and civil action appeal bonds, and including effective date, applicability, and retroactive applicability provisions, was taken up for consideration.

Senator Gronstal asked and received unanimous consent that action on amendment S-5406, filed by Senator Dotzler from the floor to pages 3-9 and to the title page of the bill be deferred.

Senator Gronstal offered amendment S-5408, filed by Senator Gronstal, et al., from the floor to pages 3-9, 14-16, and to the title page of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-5408 be adopted?" (S.F. 2312), the vote was:

Yeas, 12:

Beall	Dotzler	Horn	Seng
Black	Fraise	Kibbie	Stewart
Courtney	Gronstal	Ragan	Warnstadt

Nays, 36:

Angelo	Hatch	Lundby	Schuerer
Behn	Holveck	McCoy	Seymour
Boettger	Hosch	McKibben	Shull
Bolkcom	Houser	McKinley	Sievers
Brunkhorst	Iverson	Miller	Tinsman
Dearden	Johnson	Putney	Veenstra
Drake	Kettering	Quirnbach	Ward
Dvorsky	Kreiman	Redfern	Wieck
Gaskill	Lamberti	Rehberg	Zieman

Absent, 2:

Connolly	Larson
----------	--------

Amendment S-5408 lost.

Senator Dotzler withdrew amendment S-5406, previously deferred.

Senator Dotzler withdrew the following amendments:

S-5410, filed by him from the floor to pages 3-9 of the bill;  
 S-5411, filed by him from the floor to page 6 of the bill; and  
 S-5413, filed by him from the floor to pages 4-9 of the bill.

Senator Kreiman offered amendment S-5412, filed by Senators Kreiman and Beall from the floor to pages 14-16 and to the title page of the bill.

Senator Wieck raised the point of order that amendment S-5412 was not germane to the bill.

The Chair ruled the point well-taken and amendment S-5412 out of order.

The Senate stood at ease at 6:18 p.m. until the fall of the gavel for the purpose of a Democratic caucus.

The Senate resumed session at 6:58 p.m., President Lamberti presiding.

#### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Miller, until he returns, on request of Senator Brunkhorst.

#### BUSINESS PENDING

#### Senate File 2312

The Senate resumed consideration of Senate File 2312.

Senator Quirnbach offered amendment S-5407, filed by him from the floor to pages 15 and 16 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-5407 be adopted?" (S.F. 2312), the vote was:

Yeas, 21:

Beall	Dvorsky	Kibbie	Seng
Black	Fraise	Kreiman	Stewart
Bolkcom	Gronstal	Lundby	Warnstadt
Courtney	Hatch	McCoy	

Dearden	Holveck	Quirnbach
Dotzler	Horn	Ragan

Nays, 26:

Angelo	Houser	Putney	Tinsman
Behn	Iverson	Redfern	Veenstra
Boettger	Johnson	Rehberg	Ward
Brunkhorst	Kettering	Schuerer	Wieck
Drake	Lamberti	Seymour	Zieman
Gaskill	McKibben	Shull	
Hosch	McKinley	Sievers	

Absent, 3:

Connolly	Larson	Miller
----------	--------	--------

Amendment S-5407 lost.

Senator Wieck asked and received unanimous consent that **House File 2581** be **substituted** for **Senate File 2312**.

### House File 2581

On motion of Senator Wieck, **House File 2581**, a bill for an act concerning regulatory, taxation, and statutory requirements affecting individuals and business relating to economic development, workers' compensation, financial services, unemployment compensation employer surcharges, income taxation bonus depreciation and expensing allowances, and civil action appeal bonds, and including effective date, applicability, and retroactive applicability provisions, was taken up for consideration.

Senator Wieck moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 2581), the vote was:

Yeas, 26:

Angelo	Iverson	Putney	Tinsman
Behn	Johnson	Redfern	Veenstra
Boettger	Kettering	Rehberg	Ward
Drake	Lamberti	Schuerer	Wieck
Gaskill	McKibben	Seymour	Zieman

Hosch	McKinley	Shull
Houser	Miller	Sievers

Nays, 22:

Beall	Dotzler	Horn	Ragan
Black	Dvorsky	Kibbie	Seng
Bolkcom	Fraise	Kreiman	Stewart
Brunkhorst	Gronstal	Lundby	Warnstadt
Courtney	Hatch	McCoy	
Dearden	Holveck	Quirmbach	

Absent, 2:

Connolly	Larson
----------	--------

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### WITHDRAWN

Senator Wieck asked and received unanimous consent that **Senate File 2312** be **withdrawn** from further consideration of the Senate.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 2581** be **immediately messaged** to the House.

### HOUSE MESSAGE RECEIVED

The following message was received from the Chief Clerk of the House:

MR. PRESIDENT: I am directed to inform your honorable body that the House has on September 7, 2004, **passed** the following bill in which the concurrence of the House was asked:

**Senate File 2311**, a bill for an act relating to appropriations for economic development purposes, workforce development field offices, workforce training and economic development funds of community colleges, and including effective date and retroactive applicability provisions.

## FINAL COMMITTEE REPORT OF BILL ACTION

### RULES AND ADMINISTRATION

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 119, a concurrent resolution to provide for adjournment sine die.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 9: Iverson, Lamberti, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, and Sievers. Nays, none. Absent, 2: Ragan and Wieck.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Concurrent Resolution 119.

#### **Senate Concurrent Resolution 119**

On motion of Senator Iverson, **Senate Concurrent Resolution 119**, a concurrent resolution to provide for adjournment sine die, was taken up for consideration.

Senator Iverson moved the adoption of Senate Concurrent Resolution 119, which motion prevailed by a voice vote.

#### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Concurrent Resolution 119** be **immediately messaged** to the House.

#### SECRETARY TO NOTIFY THE GOVERNOR AND THE HOUSE

Senator Iverson moved that the Secretary of the Senate be directed to send a written message to the Governor and the House of Representatives informing them that the Senate was prepared to adjourn in accordance with Senate Concurrent Resolution 119.

The motion prevailed by a voice vote.

### HOUSE MESSAGE RECEIVED

The following message was received from the Chief Clerk of the House:

MR. PRESIDENT: I am directed to inform your honorable body that the House is prepared to **adjourn** the 2004 Extraordinary Session of the Eightieth General Assembly pursuant to Senate Concurrent Resolution 119, duly adopted.

### MOTION TO ADJOURN ADOPTED

Senator Iverson moved that the 2004 Extraordinary Session of the Eightieth General Assembly adjourn sine die in accordance with Senate Concurrent Resolution 119, duly adopted.

The motion prevailed by a voice vote.

### FINAL ADJOURNMENT

By virtue of Senate Concurrent Resolution 119, duly adopted, the day of September 7, 2004, having arrived, President Lamberti declared the 2004 Extraordinary Session of the Eightieth General Assembly adjourned sine die.

**APPENDIX****COMMUNICATIONS RECEIVED**

The following communications were received in the office of the Secretary of the Senate and placed on file in the Legislative Services Agency, after the adjournment of the 2004 Regular Session.

April 28, 2004

**IOWA COLLEGE STUDENT AID COMMISSION**

FY 2002–2003 Annual Report — notification that the report is available online.

May 4, 2004

**OFFICE OF CITIZENS'/AIDE OMBUDSMAN**

FY 2003 Annual Report — the report is also available online.

May 19, 2004

**IOWA RACING AND GAMING COMMISSION**

FY 2003 Annual Report.

June 3, 2004

**DEPARTMENT OF PUBLIC HEALTH**

2002 Vital Statistics Report, pursuant to Iowa Code chapter 144.5(5) — notification that the report is available online.

June 22, 2004

**DEPARTMENT OF NATURAL RESOURCES**

2003 Public Drinking Water Program Annual Compliance Report — the report is also available online.

July 16, 2004

**DEPARTMENT OF HUMAN SERVICES**

Progress report on redesigning adult and child systems for mental health and developmental disabilities, pursuant to 2004 Acts, House File 2537 — the report is also available online.

July 23, 2004

DEPARTMENT OF ECONOMIC DEVELOPMENT

FY 2004 Semi-annual Report on Value-Added Agricultural Products and Processes Financial Assistance Program (VAAPFAP), pursuant to Iowa Code section 15E.111(8) — notification that the report is available online.

Report referring to status of the commodities promotion program and plan annual update, pursuant to Iowa Code section 15.203(2) — notification that the report is available online.

**AGENCY ICN REPORT**

July 1, 2004

IOWA CIVIL RIGHTS COMMISSION

Iowa Communications Network (ICN) Usage for FY 2004, pursuant to Iowa Code section 8D.10 — the report in electronic form is also available online.

**REPORTS OF COMMITTEE MEETINGS**

**APPROPRIATIONS**

**Convened:** September 7, 2004, 12:25 p.m.

**Members Present:** Angelo, Chair; Lamberti, Vice Chair; Dvorsky, Ranking Member; Behn, Black, Bolkcom, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Ziemann.

**Members Absent:** Connolly (excused).

**Committee Business:** Approved SSB 3179.

**Adjourned:** 1:15 p.m.

**RULES AND ADMINISTRATION**

**Convened:** September 7, 2004, 3:50 p.m.

**Members Present:** Iverson, Chair; Lamberti, Vice Chair; Gronstal, Ranking Member; Boettger, Courtney, Drake, Dvorsky, Gaskill, and Sievers.

**Members Absent:** Ragan and Wieck (both excused).

**Committee Business:** Approved SCR 119 and SRs 181 and 182.

**Adjourned:** 3:55 p.m.

**WAYS AND MEANS**

**Convened:** September 7, 2004, 1:25 p.m.

**Members Present:** McKibben, Chair; Shull, Vice Chair; Bolkcom, Ranking Member; Angelo, Dotzler, Hosch, McCoy, McKinley, Miller, Putney, Quirnbach, Rehberg, Seng, Sievers, Stewart, and Wieck.

**Members Absent:** Connolly (excused).

**Committee Business:** Approved SSB 3180.

**Adjourned:** 1:40 p.m.

**STUDY BILLS RECEIVED****SSB 3179      Appropriations**

Relating to appropriations for economic development purposes, workforce development field offices, workforce training and economic development funds of community colleges, and including effective date and retroactive applicability provisions.

**SSB 3180      Ways and Means**

Concerning regulatory, taxation, and statutory requirements affecting individuals and business relating to economic development, workers' compensation employer surcharges, income taxation bonus depreciation and expensing allowances, and civil action appeal bonds, and including effective date, applicability, and retroactive applicability provisions.

**SUBCOMMITTEE ASSIGNMENTS****SSB 3179**

APPROPRIATIONS: Angelo, Chair; Dvorsky and Lamberti

**SSB 3180**

WAYS AND MEANS: Wieck, Chair; Bolkcom and McKibben

**ANNOUNCEMENT OF APPOINTMENT  
BY SENATE MAJORITY LEADER**

BOARD OF TRUSTEES OF THE IOWA CULTURAL TRUST

(Iowa Code section 303A.5)

Ted Tedesco

BILL ENROLLED, SIGNED, AND SENT TO GOVERNOR

The Secretary of the Senate submitted the following report:

MR. PRESIDENT: The Secretary of the Senate respectfully reports that the following bill has been enrolled, signed by the President of the Senate and the Speaker of the House, and presented to the Governor for his approval on this 7th day of September, 2004:

Senate File 2311.

MICHAEL E. MARSHALL  
Secretary of the Senate

AMENDMENTS FILED

S-5406	S.F.	2312	William A. Dotzler, Jr.
S-5407	S.F.	2312	Herman C. Quirmbach
S-5408	S.F.	2312	Michael E. Gronstal John P. Kibbie Amanda Ragan William A. Dotzler, Jr. Joe M. Seng Steve Warnstadt Gene Fraise Matt W. McCoy Wally E. Horn Daryl Beall Roger Stewart Thomas G. Courtney
S-5409	S.F.	2311	Michael E. Gronstal Daryl Beall Dennis H. Black Joe Bolcom Thomas G. Courtney William A. Dotzler, Jr. Robert E. Dvorsky Gene Fraise Jack Hatch Jack Holveck Wally E. Horn John P. Kibbie Keith A. Kreiman

			Matt W. McCoy
			Herman C. Quirnbach
			Amanda Ragan
			Joe M. Seng
			Roger Stewart
			Steve Warnstadt
S-5410	S.F.	2312	William A. Dotzler, Jr.
S-5411	S.F.	2312	William A. Dotzler, Jr.
S-5412	S.F.	2312	Keith A. Kreiman
			Daryl Beall
S-5413	S.F.	2312	William A. Dotzler, Jr.

SENATE BILL SIGNED BY GOVERNOR  
SUBSEQUENT TO ADJOURNMENT

A communication was received announcing that on September 7, 2004, the Governor approved and transmitted to the Secretary of State the following bill:

S.F. 2311 – Relating to appropriations for economic development purposes, workforce development field offices, workforce training and economic development funds of community colleges, and including effective date and retroactive applicability provisions.

**AMENDMENTS FILED**  
**EIGHTIETH GENERAL ASSEMBLY**  
**2004 EXTRAORDINARY SESSION**

**S-5406**

- 1 Amend Senate File 2312 as follows:  
2 1. By striking page 3, line 18, through page 6,  
3 line 9.  
4 2. Page 7, by striking lines 2 through 27.  
5 3. Page 7, by striking lines 29 and 30, and  
6 inserting the following: "section of this division of  
7 this Act amending section 85.70, being".  
8 4. Page 7, line 31, by striking the work "take"  
9 and inserting the following: "takes".  
10 5. Page 7, line 32, by striking the word "apply"  
11 and inserting the following: "applies".  
12 6. By striking page 7, line 33, through page 9,  
13 line 23.  
14 7. By renumbering as necessary.

WILLIAM A. DOTZLER, JR.

**S-5407**

- 1 Amend Senate File 2312 as follows:  
2 1. Page 15, line 6, by inserting after the word  
3 "purposes," the following: "but only".  
4 2. Page 15, line 7, by striking the word and  
5 figures "May 5, 2003" and inserting the following:  
6 "June 30, 2004".  
7 3. Page 15, by inserting after line 7, the  
8 following: "For property acquired after May 5, 2003,  
9 and before July 1, 2004, if the taxpayer has taken the  
10 deduction allowed in section 168(k)(4), as enacted by  
11 Pub. L. No. 108-27, in computing federal adjusted  
12 gross income, the adjustments in paragraph "a" shall  
13 be made."  
14 4. Page 16, line 4, by inserting after the word  
15 "purposes," the following: "but only".  
16 5. Page 16, line 5, by striking the word and  
17 figures "May 5, 2003" and inserting the following:  
18 "June 30, 2004".  
19 6. Page 16, by inserting after line 5, the  
20 following: "For property acquired after May 5, 2003,  
21 and before July 1, 2004, if the taxpayer has taken the  
22 deduction allowed in section 168(k)(4), as enacted by  
23 Pub. L. No. 108-27, in computing federal adjusted

24 gross income, the adjustments in paragraph “a” shall  
 25 be made.  
 26 Sec. \_\_\_\_ STATE GENERAL FUND TRANSFER. There is  
 27 transferred from the general fund of the state to the  
 28 federal economic stimulus and jobs holding fund, if  
 29 created, during the fiscal year beginning July 1,  
 30 2004, and ending June 30, 2005, the amount of increase  
 31 in state individual and corporate income tax revenues  
 32 during the fiscal year beginning July 1, 2004, as a  
 33 result of the 50 percent bonus depreciation in section  
 34 168(k)(4) of the Internal Revenue Code being  
 35 applicable only to qualified property acquired after  
 36 June 30, 2004.”

HERMAN C. QUIRMBACH

### S-5408

1 Amend Senate File 2312 as follows:  
 2 1. By striking page 3, line 18, through page 9,  
 3 line 26.  
 4 2. By striking page 14, line 7, through page 16,  
 5 line 15.  
 6 3. Page 16, by inserting before line 16 the  
 7 following:  
 8 “DIVISION \_\_\_\_  
 9 INCOME TAXATION  
 10 BONUS DEPRECIATION AND EXPENSING ALLOWANCE  
 11 Sec. \_\_\_\_ Section 422.3, subsection 5, Code  
 12 Supplement 2003, is amended to read as follows:  
 13 5. “Internal Revenue Code” means the Internal  
 14 Revenue Code of 1954, prior to the date of its  
 15 redesignation as the Internal Revenue Code of 1986 by  
 16 the Tax Reform Act of 1986, or means the Internal  
 17 Revenue Code of 1986 as amended to and including  
 18 January 1, 2003, and as amended by Pub. L. No. 108-  
 19 27, section 202, whichever is applicable.  
 20 Sec. \_\_\_\_ Section 422.7, subsection 39, Code  
 21 Supplement 2003, is amended to read as follows:  
 22 39. a. The additional first-year depreciation  
 23 allowance authorized in section 168(k) of the Internal  
 24 Revenue Code, as enacted by Pub. L. No. 107-147,  
 25 section 101, does not apply in computing net income  
 26 for state tax purposes. If the taxpayer has taken  
 27 such deduction in computing federal adjusted gross  
 28 income, the following adjustments shall be made:  
 29 ~~a.~~ (1) Add the total amount of depreciation taken  
 30 on all property for which the election under section  
 31 168(k) of the Internal Revenue Code was made for the  
 32 tax year.  
 33 ~~b.~~ (2) Subtract an amount equal to depreciation  
 34 ~~taken~~ allowed on such property for the tax year using

35 the modified accelerated cost recovery system  
 36 depreciation method applicable under section 168 of  
 37 the Internal Revenue Code without regard to section  
 38 168(k).  
 39 ~~e. (3)~~ Any other adjustments to gains or losses  
 40 to reflect the adjustments made in ~~paragraphs “a” and~~  
 41 ~~“b”~~ subparagraphs (1) and (2) pursuant to rules  
 42 adopted by the director.  
 43 b. The additional first-year depreciation  
 44 allowance authorized in section 168(k)(4) of the  
 45 Internal Revenue Code, as enacted by Pub. L. No. 108–  
 46 27, shall apply in computing net income for state tax  
 47 purposes, for qualified property acquired after May 5,  
 48 2003, and before January 1, 2005.  
 49 Sec. \_\_\_\_ Section 422.32, subsection 7, Code  
 50 Supplement 2003, is amended to read as follows:

Page 2

1 7. “Internal Revenue Code” means the Internal  
 2 Revenue Code of 1954, prior to the date of its  
 3 redesignation as the Internal Revenue Code of 1986 by  
 4 the Tax Reform Act of 1986, or means the Internal  
 5 Revenue Code of 1986 as amended to and including  
 6 January 1, 2003, and as amended by Pub. L. No. 108–  
 7 27, section 202, whichever is applicable.  
 8 Sec. \_\_\_\_ Section 422.35, subsection 19, Code  
 9 Supplement 2003, is amended to read as follows:  
 10 19. a. The additional first-year depreciation  
 11 allowance authorized in section 168(k) of the Internal  
 12 Revenue Code, as enacted by Pub. L. No. 107–147,  
 13 section 101, does not apply in computing net income  
 14 for state tax purposes. If the taxpayer has taken  
 15 such deduction in computing taxable income, the  
 16 following adjustments shall be made:  
 17 ~~a. (1)~~ Add the total amount of depreciation taken  
 18 on all property for which the election under section  
 19 168(k) of the Internal Revenue Code was made for the  
 20 tax year.  
 21 ~~b. (2)~~ Subtract an amount equal to depreciation  
 22 ~~taken allowed~~ on such property for the tax year using  
 23 the modified accelerated cost recovery system  
 24 depreciation method applicable under section 168 of  
 25 the Internal Revenue Code without regard to section  
 26 168(k).  
 27 ~~e. (3)~~ Any other adjustments to gains or losses  
 28 to reflect the adjustments made in ~~paragraphs “a” and~~  
 29 ~~“b”~~ subparagraphs (1) and (2) pursuant to rules  
 30 adopted by the director.  
 31 b. The additional first-year depreciation  
 32 allowance authorized in section 168(k)(4) of the  
 33 Internal Revenue Code, as enacted by Pub. L. No. 108–

34 27, shall apply in computing net income for state tax  
 35 purposes, for qualified property acquired after May 5,  
 36 2003, and before January 1, 2005.

37 Sec. \_\_\_\_ RETROACTIVE APPLICABILITY.

38 1. The sections of this division of this Act  
 39 amending section 422.7, subsection 39, and section  
 40 422.35, subsection 19, apply retroactively to tax  
 41 years ending after May 5, 2003.

42 2. The sections of this division of this Act  
 43 amending sections 422.3, subsection 5, and 422.32,  
 44 subsection 7, apply retroactively to January 1, 2003,  
 45 for tax years beginning on or after that date.

46 Sec. \_\_\_\_ EFFECTIVE DATE. This division of this  
 47 Act, being deemed of immediate importance, takes  
 48 effect upon enactment.”

49 4. Title page, line 3, by striking the words  
 50 “workers’ compensation,”.

MICHAEL E. GRONSTAL  
 JOHN P. KIBBIE  
 AMANDA RAGAN  
 WILLIAM A. DOTZLER, JR.  
 JOE M. SENG  
 STEVE WARNSTADT  
 GENE FRAISE  
 MATT W. McCOY  
 WALLY E. HORN  
 DARYL BEALL  
 ROGER STEWART  
 THOMAS G. COURTNEY

## S-5409

1 Amend Senate File 2311 as follows:

2 1. By striking everything after the enacting  
 3 clause and inserting the following:  
 4 “DIVISION I  
 5 LEGISLATIVE FINDINGS — VALIDATION  
 6 Section 1. LEGISLATIVE FINDINGS.  
 7 1. It is the finding of the general assembly that  
 8 the recent Iowa supreme court decision of Rants and  
 9 Iverson v. Vilsack, No. 60/03–1948, June 16, 2004, has  
 10 invalidated the proper enactment of provisions  
 11 contained in 2003 Iowa Acts, First Extraordinary  
 12 Session, chapter 1 (House File 692). It is the intent  
 13 of the general assembly to reenact and reaffirm  
 14 certain provisions of House File 692 that were  
 15 published in the 2003 Iowa Acts and the 2003 Iowa Code  
 16 Supplement, including provisions that were  
 17 subsequently amended in the 2004 regular session of  
 18 the Eightieth General Assembly, and to validate  
 19 contracts entered into in reliance on the enactment of

20 provisions published in the 2003 Code Supplement.  
21 2. It is the finding of the general assembly that  
22 the recent Iowa supreme court decision of Rants and  
23 Iverson v. Vilsack, No. 60/03–1948, June 16, 2004, has  
24 raised questions in regard to the proper enactment of  
25 provisions contained in 2003 Iowa Acts, First  
26 Extraordinary Session, chapter 2 (House File 683), and  
27 in 2004 enactments. It is the intent of the general  
28 assembly to resolve any doubt as to the validity of  
29 the provisions contained in House File 683 and 2004  
30 enactments by reenacting the provisions, and to  
31 validate contracts entered into in reliance on the  
32 enactment of provisions published in the 2003 Code  
33 Supplement.

34 Sec. 2. CONTRACT OR APPROVED PROJECT OR ACTIVITY  
35 VALIDATION. Any contract or approved project or  
36 activity originally funded or intended to be funded in  
37 whole or in part with moneys from the grow Iowa values  
38 fund, and entered into or approved by the department  
39 of economic development or the grow Iowa values board  
40 after June 30, 2003, and before June 16, 2004, in  
41 reliance on the publication of law implementing the  
42 grow Iowa values fund in the 2003 Code Supplement and  
43 2003 Iowa Acts, is valid and enforceable to the full  
44 extent of the law. The Iowa supreme court decision in  
45 Rants and Iverson v. Vilsack, No. 60/03–1948, June 16,  
46 2004, and the provisions of this Act shall not in  
47 themselves constitute grounds for rescision or  
48 modification of such contracts or approved projects or  
49 activities. This Act provides appropriations to fund  
50 these contracts or approved projects or activities.

Page 2

1 Sec. 3. EFFECTIVE DATE. This division of this  
2 Act, being deemed of immediate importance, takes  
3 effect upon enactment.

4 DIVISION II

5 GROW IOWA VALUES BOARD AND FUND

6 Sec. 4. GROW IOWA VALUES BOARD AND FUND. The  
7 following provisions, as published in Iowa Code  
8 Supplement 2003, pertaining to the grow Iowa values  
9 board and fund, are reaffirmed and reenacted:

10 1. Section 15.108, subsection 9, paragraph “g”.

11 2. Section 15G.101.

12 3. Section 15G.102.

13 4. Section 15G.103.

14 5. Section 15G.104.

15 6. Section 15G.105.

16 7. Section 15G.106.

17 8. Section 15G.107.

18 9. Section 15G.108.

19 10. Section 15G.109.

20 11. Section 15G.110.

21 12. Section 292.4, including the amendment made in  
22 2004 Iowa Acts, House File 2208, section 59.

23 Sec. 5. Section 15G.107, Code Supplement 2003, as  
24 reaffirmed and reenacted by this division of this Act,  
25 is amended by adding the following new subsection:  
26 NEW SUBSECTION. 6. Notwithstanding subsection 3,  
27 paragraph “a”, it is the policy of this state to  
28 expand and stimulate the state economy by advancing,  
29 promoting, and expanding the biotechnology industry in  
30 this state. To implement this policy, the board shall  
31 consider projects that increase income to individuals  
32 or organizations involved in value-added agribusiness  
33 or biotechnology. In making such considerations, the  
34 board shall not limit job creation criteria to one  
35 specific project site.

36 Sec. 6. Section 15.108, subsection 9, paragraph g,  
37 Code Supplement 2003, as reaffirmed and reenacted by  
38 this division of this Act, is amended by adding the  
39 following new unnumbered paragraph:

40 NEW UNNUMBERED PARAGRAPH. This paragraph “g” is  
41 repealed effective July 1, 2010.

42 Sec. 7. Section 15G.110, Code Supplement 2003, as  
43 reaffirmed and reenacted by this division of this Act,  
44 is amended by adding the following new unnumbered  
45 paragraph:

46 NEW UNNUMBERED PARAGRAPH. This chapter is repealed  
47 effective July 1, 2010.

48 Sec. 8. 2004 Iowa Acts, House File 2207, section  
49 101, is repealed.

50 Sec. 9. EFFECTIVE DATE AND RETROACTIVE

Page 3

1 APPLICABILITY PROVISIONS. This division of this Act,  
2 being deemed of immediate importance, takes effect  
3 upon enactment, and, other than the repeal of 2004  
4 Iowa Acts, House File 2207, section 101, is  
5 retroactively applicable to July 1, 2003.

6 DIVISION III

7 GROW IOWA VALUES FUND APPROPRIATIONS

8 Sec. 10. 2003 IOWA ACTS, HOUSE FILE 683 —

9 APPROPRIATIONS. 2003 Iowa Acts, First Extraordinary  
10 Session, chapter 2, sections 65 through 75, are  
11 repealed. However, to the extent an appropriation  
12 made in this division of this Act is made for the same  
13 purpose as an appropriation made in 2003 Iowa Acts,  
14 First Extraordinary Session, chapter 2, sections 65  
15 through 75, action taken pursuant to 2003 Iowa Acts,  
16 First Extraordinary Session, chapter 2, sections 65  
17 through 75, shall be considered valid and enforceable.

18 Sec. 11. NEW SECTION. 15G.111 ECONOMIC  
19 DEVELOPMENT APPROPRIATIONS FROM GROW IOWA VALUES FUND.

20 1. MARKETING DEVELOPMENT. There is appropriated  
21 from the fund to the department for the designated  
22 fiscal years, the following amounts, or so much  
23 thereof as is necessary, to be used for the purpose  
24 designated:

25 For implementing and administering the marketing  
26 strategy approved under this chapter by the economic  
27 development marketing board:

28 a. FY 2003–2004 .....	\$	2,244,826
29 b. FY 2004–2005 .....	\$	7,500,000
30 c. FY 2005–2006 .....	\$	10,000,000

31 2. DEPARTMENTAL PROGRAMS.

32 a. There is appropriated from the fund to the  
33 department for the designated fiscal years, the  
34 following amounts, or so much thereof as is necessary,  
35 to be used for the purpose designated:

36 For programs administered by the department:

37 (1) FY 2003–2004 .....	\$	38,006,883
38 (2) FY 2004–2005 .....	\$	41,000,000
39 (3) FY 2005–2006 .....	\$	44,000,000
40 (4) FY 2006–2007 .....	\$	48,000,000

41 b. The board shall allocate a percentage of each  
42 appropriation made in this subsection for each of the  
43 following types of activities:

- 44 (1) Business start-ups.
- 45 (2) Business expansion.
- 46 (3) Business modernization.
- 47 (4) Business attraction.
- 48 (5) Business retention.
- 49 (6) Marketing.

50 c. An applicant for moneys appropriated in this

Page 4

1 subsection shall be required by the department to  
2 include in the application a statement regarding the  
3 intended return on investment. A recipient of moneys  
4 appropriated in this subsection shall annually submit  
5 a statement to the department regarding the progress  
6 achieved on the intended return on investment stated  
7 in the application. The department, in cooperation  
8 with the department of revenue, shall develop a method  
9 of identifying and tracking each new job created  
10 through financial assistance from moneys appropriated  
11 in this subsection.

12 d. The department may use moneys appropriated in  
13 this subsection to procure technical assistance from  
14 either the public or private sector, for information  
15 technology purposes, and for rail, air, or river port  
16 transportation-related purposes. The use of moneys

17 appropriated for rail, air, or river port  
18 transportation-related purposes must be directly  
19 related to an economic development project and the  
20 moneys must be used to leverage other financial  
21 assistance moneys.

22 e. Of the moneys appropriated in this subsection,  
23 the department may use one-half of one percent for  
24 administrative purposes.

25 f. The applications for financial assistance from  
26 moneys appropriated in this subsection are subject to  
27 action of the board approving or denying the  
28 applications.

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

34	For deposit in the loan and credit guarantee fund		
35	created in section 15E.227:		
36	a. FY 2003–2004 .....	\$	2,489,800
37	b. FY 2004–2005 .....	\$	5,000,000
38	c. FY 2005–2006 .....	\$	7,500,000
39	d. FY 2006–2007 .....	\$	7,500,000

40 4. ENDOW IOWA GRANTS. There is appropriated from  
41 the fund to the department for the designated fiscal  
42 years, the following amounts, or so much thereof as is  
43 necessary, to be used for the purpose designated:

44	For providing endow Iowa grants to lead		
45	philanthropic entities pursuant to section 15E.304:		
46	a. FY 2004–2005 .....	\$	250,000
47	b. FY 2005–2006 .....	\$	250,000
48	c. FY 2006–2007 .....	\$	500,000

49 5. PARKS.  
50 a. There is appropriated from the fund to the

1 board for the designated fiscal years, the following  
2 amounts, or so much thereof as is necessary, to be  
3 used for the purpose designated:

4 For the purpose of providing financial assistance  
5 for projects in targeted state parks and destination  
6 parks:

7	(1) FY 2003–2004 .....	\$	500,000
8	(2) FY 2004–2005 .....	\$	0
9	(3) FY 2005–2006 .....	\$	0
10	(4) FY 2006–2007 .....	\$	500,000

11 b. The department of natural resources, in  
12 cooperation with the department of economic  
13 development, shall submit a plan to the grow Iowa  
14 values board for the expenditure of moneys  
15 appropriated in this subsection. The plan shall focus

16 on improving state parks and destination parks for  
 17 economic development purposes. Based on the report  
 18 submitted, the grow Iowa values board shall provide  
 19 financial assistance to the department of natural  
 20 resources for support of state parks and destination  
 21 parks.

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

28 Sec. 12. NEW SECTION. 15G.112 UNIVERSITY AND  
 29 COLLEGE FINANCIAL ASSISTANCE APPROPRIATIONS FROM GROW  
 30 IOWA VALUES FUND.

31 1. There is appropriated from the fund to the  
 32 board for the designated fiscal years, the following  
 33 amounts, or so much thereof as is necessary, to be  
 34 used for the purposes designated:

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

Page 6

1 bioanalytical, biochemical, chemical, and  
 2 microbiological support facilities; a national center  
 3 for food safety and security; and advanced laboratory  
 4 space:

5 a. FY 2003–2004 .....	\$	6,000,000
6 b. FY 2004–2005 .....	\$	7,000,000
7 c. FY 2005–2006 .....	\$	7,000,000
8 d. FY 2006–2007 .....	\$	7,000,000

9 2. Notwithstanding section 8.33, moneys  
 10 appropriated in this section that remain unencumbered  
 11 or unobligated at the close of the fiscal year shall  
 12 not revert but shall remain available for expenditure  
 13 for the purposes designated until the close of the  
 14 succeeding fiscal year.

15 3. In the distribution of moneys appropriated in  
16 this section, the board shall examine the potential  
17 for using such moneys to leverage other moneys  
18 available for financial assistance to accredited  
19 private institutions.

20 4. In awarding moneys appropriated in this  
21 section, the board shall consider whether the purchase  
22 of suitable existing infrastructure is more cost-  
23 efficient than building new infrastructure.

24 5. An institution of higher learning under the  
25 control of the state board of regents may apply to use  
26 financial assistance moneys appropriated in this  
27 section for purposes of a public and private joint  
28 venture to acquire infrastructure assets or research  
29 facilities or to leverage moneys in a manner  
30 consistent with meeting the goals and performance  
31 measures provided in section 15G.107.

32 6. Of the moneys appropriated in this section and  
33 provided applications are submitted meeting the  
34 requirements of the board, not less than ten million  
35 dollars in financial assistance shall be awarded to  
36 the university of Iowa, not less than ten million  
37 dollars in financial assistance shall be awarded to  
38 Iowa state university of science and technology, and  
39 not less than five million dollars in financial  
40 assistance shall be awarded to the university of  
41 northern Iowa.

42 Sec. 13. NEW SECTION. 15G.113 REHABILITATION  
43 PROJECT TAX CREDITS APPROPRIATIONS FROM GROW IOWA  
44 VALUES FUND.

45 1. There is appropriated from the fund to the  
46 general fund of the state, for the designated fiscal  
47 years, the following amounts, or so much thereof as is  
48 necessary, to be used for the purpose designated:

49 For reimbursement for lost revenue due to tax  
50 credits approved pursuant to section 404A.4 for

Page 7

1	rehabilitation projects located in certified cultural	
2	and entertainment districts:	
3	a. FY 2005–2006 .....	\$ 500,000
4	b. FY 2006–2007 .....	\$ 500,000

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 purpose designated until the close of the  
10 succeeding fiscal year.

11 Sec. 14. NEW SECTION. 15G.114 ENDOW IOWA TAX  
12 CREDITS APPROPRIATIONS FROM GROW IOWA VALUES FUND.

13 1. There is appropriated from the fund to the

14 general fund of the state, for the designated fiscal  
 15 years, the following amounts, or so much thereof as is  
 16 necessary, to be used for the purpose designated:

17 For reimbursement for lost revenue due to endow  
 18 Iowa tax credits authorized pursuant to section  
 19 15E.305:

20 a. FY 2004–2005 .....	\$	250,000
21 b. FY 2005–2006 .....	\$	250,000
22 c. FY 2006–2007 .....	\$	500,000

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

29 Sec. 15. NEW SECTION. 15G.115 IOWA CULTURAL  
 30 TRUST FUND APPROPRIATIONS FROM GROW IOWA VALUES FUND.

31 1. There is appropriated from the fund to the  
 32 office of the treasurer of state, for the designated  
 33 fiscal years, the following amounts, or so much  
 34 thereof as is necessary, to be used for the purpose  
 35 designated:

36 For deposit in the Iowa cultural trust fund created  
 37 in section 303A.4:

38 a. FY 2003–2004 .....	\$	24,194
39 b. FY 2004–2005 .....	\$	0
40 c. FY 2005–2006 .....	\$	0
41 d. FY 2006–2007 .....	\$	500,000

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

48 Sec. 16. NEW SECTION. 15G.116 ANTICIPATED  
 49 FEDERAL MONEYS — APPROPRIATIONS TO GROW IOWA VALUES  
 50 FUND.

Page 8

1 1. There is appropriated from the fund created by  
 2 section 8.41, for the designated fiscal years, the  
 3 following amounts, to be used for the purpose  
 4 designated:

5 For deposit in the grow Iowa values fund:

6 a. FY 2003–2004 .....	\$	59,000,000
7 b. FY 2004–2005 .....	\$	41,000,000

8 2. Moneys appropriated in this section are moneys  
 9 anticipated to be received from the federal government  
 10 for state and local government fiscal relief under the  
 11 federal Jobs and Growth Tax Relief Reconciliation Act  
 12 of 2003 and shall be expended as provided in the

13 federal law making the moneys available and in  
 14 conformance with chapter 17A.  
 15 Sec. 17. NEW SECTION. 15G.117 APPROPRIATIONS TO  
 16 GROW IOWA VALUES FUND.

17 There is appropriated from the general fund of the  
 18 state, for the designated fiscal years, the following  
 19 amounts, to be used for the purpose designated:

20 For deposit in the grow Iowa values fund:

21 1. FY 2003–2004 .....	\$ 5,000,000
22 2. FY 2004–2005 .....	\$ 23,000,000
23 3. FY 2005–2006 .....	\$ 75,000,000
24 4. FY 2006–2007 .....	\$ 75,000,000
25 5. FY 2007–2008 .....	\$ 75,000,000
26 6. FY 2008–2009 .....	\$ 75,000,000
27 7. FY 2009–2010 .....	\$ 75,000,000

28 Sec. 18. CASH RESERVE FUND. There is appropriated  
 29 from the grow Iowa values fund to the cash reserve  
 30 fund for the fiscal year beginning July 1, 2004, and  
 31 ending June 30, 2005, the following amount, or so much  
 32 thereof as is necessary, to be used for the purposes  
 33 designated:

34 For replacing claims paid from the general fund of  
 35 the state by the state appeal board as affirmed by  
 36 this division of this Act:

37 .....	\$ 10,058,162
----------	---------------

38 Sec. 19. PAYMENT OF CLAIMS. The general assembly  
 39 affirms the action by the state appeal board on August  
 40 27, 2004, approving payment of claims against the  
 41 state for moneys appropriated from the grow Iowa  
 42 values fund and obligated prior to the Iowa supreme  
 43 court decision of Rants and Iverson v. Vilsack, No.  
 44 60/03–1948, June 16, 2004, that invalidated the proper  
 45 enactment of the appropriations.

46 Sec. 20. Section 260C.18A, subsection 4, paragraph  
 47 a, Code Supplement 2003, as reaffirmed and reenacted  
 48 in part by division IV of this Act, is amended to read  
 49 as follows:

50 a. Five One million nine hundred eighty-four

Page 9

1 thousand five hundred forty-three dollars for the  
 2 fiscal year beginning July 1, 2003.

3 Sec. 21. EFFECTIVE DATE AND RETROACTIVE  
 4 APPLICABILITY PROVISIONS. This division of this Act,  
 5 being deemed of immediate importance, takes effect  
 6 upon enactment, and is retroactively applicable to  
 7 July 1, 2003.

8 DIVISION IV

9 WORKFORCE-RELATED ISSUES

10 Sec. 22. Section 260C.18A, subsection 2,  
 11 unnumbered paragraph 1, subsection 4, paragraph e,

12 subsection 6, paragraph d, and subsection 7, as  
 13 published in Code Supplement 2003, are reaffirmed and  
 14 reenacted in accordance with the provisions' enactment  
 15 in 2003 Iowa Acts, First Extraordinary Session,  
 16 chapter 2, section 76, including the following  
 17 amendments to section 260C.18A:

18 1. 2004 Iowa Acts, Senate File 2298, section 330.

19 2. 2004 Iowa Acts, Senate File 2298, section 331.

20 3. 2004 Iowa Acts, Senate File 2298, section 370.

21 Sec. 23. Section 260C.18A, Code Supplement 2003,  
 22 as reaffirmed and reenacted in part by this division  
 23 of this Act, is amended by adding the following new  
 24 subsection:

25 NEW SUBSECTION. 9. This section is repealed  
 26 effective July 1, 2010.

27 Sec. 24. Section 260F.9, Code Supplement 2003, is  
 28 amended by adding the following new subsection:

29 NEW SUBSECTION. 4. This section is repealed  
 30 effective July 1, 2010.

31 Sec. 25. Section 260F.10, as published in Code  
 32 Supplement 2003, is reaffirmed and reenacted in  
 33 accordance with its enactment in 2003 Iowa Acts, First  
 34 Extraordinary Session, chapter 2, section 78.

35 Sec. 26. Section 260F.10, as reaffirmed and  
 36 reenacted by this division of this Act, is amended by  
 37 adding the following new unnumbered paragraph:

38 NEW UNNUMBERED PARAGRAPH. This section is repealed  
 39 effective July 1, 2010.

40 Sec. 27. Section 260G.3, subsection 2, unnumbered  
 41 paragraph 1, Code Supplement 2003, is amended to read  
 42 as follows:

43 An agreement may include reasonable and necessary  
 44 provisions to implement the accelerated career  
 45 education program. If an agreement ~~that utilizes~~  
 46 ~~program job credits~~ is entered into, the community  
 47 college and the employer shall notify the department  
 48 of revenue as soon as possible. The community college  
 49 shall also file a copy of the agreement with the  
 50 department of economic development as required in

Page 10

1 section 260G.4B. The agreement shall provide for  
 2 program costs, including deferred costs, which may be  
 3 paid from any of the following sources:

4 Sec. 28. Section 260G.3, subsection 2, paragraph  
 5 e, Code Supplement 2003, is amended to read as  
 6 follows:

7 e. Moneys from a workforce training and economic  
 8 development fund created in section 260C.18A, based on  
 9 the number of program job positions agreed to by the  
 10 employer to be available under the agreement, the

11 amount of which shall be calculated in the same manner  
 12 as the program job credits provided for in section  
 13 260G.4A. This paragraph is repealed July 1, 2010.  
 14 Sec. 29. Section 260G.10, as published in Code  
 15 Supplement 2003, is reaffirmed and reenacted in  
 16 accordance with its enactment in 2003 Iowa Acts, First  
 17 Extraordinary Session, chapter 2, section 80.  
 18 Sec. 30. Section 260G.10, as reaffirmed and  
 19 reenacted by this division of this Act, is amended by  
 20 adding the following new unnumbered paragraph:  
 21 NEW UNNUMBERED PARAGRAPH. This section is repealed  
 22 effective July 1, 2010.  
 23 Sec. 31. 2003 Iowa Acts, First Extraordinary  
 24 Session, chapter 2, section 93, is repealed.  
 25 Sec. 32. EFFECTIVE DATE AND RETROACTIVE  
 26 APPLICABILITY PROVISIONS.  
 27 1. Except as otherwise provided in subsections 2  
 28 and 3, this division of this Act, being deemed of  
 29 immediate importance, takes effect upon enactment, and  
 30 the reaffirmation and reenactment of 2004 Iowa Acts,  
 31 Senate File 2298, section 370, is retroactively  
 32 applicable to July 1, 2003.  
 33 2. The reaffirmation and reenactment of 2004 Iowa  
 34 Acts, Senate File 2298, sections 330 and 331, being  
 35 deemed of immediate importance, takes effect upon  
 36 enactment, and is retroactively applicable to May 17,  
 37 2004.  
 38 3. The amendment in this division of this Act to  
 39 section 260G.3, subsection 2, unnumbered paragraph 1,  
 40 takes effect July 1, 2010.

#### 41 DIVISION V

#### 42 VALUE-ADDED AGRICULTURAL PRODUCTS AND 43 PROCESSES FINANCIAL ASSISTANCE PROGRAM (VAAPPFAP)

44 Sec. 33. The amendments to section 15E.111,  
 45 subsection 1, contained in 2003 Iowa Acts, First  
 46 Extraordinary Session, chapter 1, sections 87 and 133,  
 47 as published in Code Supplement 2003, pertaining to  
 48 the value-added agricultural products and processes  
 49 financial assistance program, are reaffirmed and  
 50 reenacted.

Page 11

1 Sec. 34. Section 15E.111, subsection 1, paragraph  
 2 a, subparagraph (5), Code Supplement 2003, as  
 3 reaffirmed and reenacted in this division of this Act,  
 4 is amended to read as follows:  
 5 (5) Producer-owned, value-added businesses,  
 6 education of producers and management boards in value-  
 7 added businesses, and other activities that would  
 8 support the infrastructure in the development of  
 9 value-added agriculture. ~~Public; and public~~ and

10 private joint ventures involving an institution of  
 11 higher learning under the control of the state board  
 12 of regents or a private college or university ~~to~~  
 13 ~~acquire~~ acquiring assets, research facilities, and  
 14 leverage moneys in a manner that meets the goals of  
 15 the grow Iowa values fund. For purposes of this  
 16 subsection, “producer-owned, valued-added business”  
 17 means a person who holds an equity interest in the  
 18 agricultural business and is personally involved in  
 19 the production of crops or livestock on a regular,  
 20 continuous, and substantial basis.

21 Sec. 35. Section 15E.111, subsection 1, as  
 22 reaffirmed and reenacted in this division of this Act,  
 23 is amended by adding the following new paragraph:  
 24 NEW PARAGRAPH. c. The amendments to this  
 25 subsection, as reaffirmed and reenacted in this Act,  
 26 are repealed effective July 1, 2010.

27 Sec. 36. EFFECTIVE DATE AND RETROACTIVE  
 28 APPLICABILITY PROVISIONS. This division of this Act,  
 29 being deemed of immediate importance, takes effect  
 30 upon enactment, and is retroactively applicable to  
 31 July 1, 2003.

#### DIVISION VI

##### ENDOW IOWA GRANTS

34 Sec. 37. The following provisions, as published in  
 35 Iowa Code Supplement 2003, pertaining to endow Iowa  
 36 grants, are reaffirmed and reenacted:

- 37 1. Section 15E.301.
- 38 2. Section 15E.302.
- 39 3. Section 15E.303.
- 40 4. Section 15E.304.
- 41 5. Section 15E.306.
- 42 6. Section 422.11H.
- 43 7. Section 422.33, subsection 14.
- 44 8. Section 422.60, subsection 7.
- 45 9. Section 432.12D.
- 46 10. Section 533.24, subsection 5.

47 Sec. 38. NEW SECTION. 15E.307 ENDOW IOWA GRANTS  
 48 AND TAX CREDIT — REPEAL.

49 This division is repealed effective July 1, 2010.

50 Sec. 39. Section 422.11H, Code Supplement 2003, as

Page 12

- 1 reaffirmed and reenacted by this division of this Act,
- 2 is amended by adding the following new unnumbered
- 3 paragraph:
- 4 NEW UNNUMBERED PARAGRAPH. This section is repealed
- 5 effective July 1, 2010.
- 6 Sec. 40. Section 422.33, subsection 14, Code
- 7 Supplement 2003, as reaffirmed and reenacted by this
- 8 division of this Act, is amended by adding the

9 following new unnumbered paragraph:  
 10 NEW UNNUMBERED PARAGRAPH. This subsection is  
 11 repealed effective July 1, 2010.  
 12 Sec. 41. Section 422.60, subsection 7, Code  
 13 Supplement 2003, as reaffirmed and reenacted by this  
 14 division of this Act, is amended by adding the  
 15 following new unnumbered paragraph:  
 16 NEW UNNUMBERED PARAGRAPH. This subsection is  
 17 repealed effective July 1, 2010.  
 18 Sec. 42. Section 432.12D, Code Supplement 2003, as  
 19 reaffirmed and reenacted by this division of this Act,  
 20 is amended by adding the following new unnumbered  
 21 paragraph:  
 22 NEW UNNUMBERED PARAGRAPH. This section is repealed  
 23 effective July 1, 2010.  
 24 Sec. 43. Section 533.24, subsection 5, Code  
 25 Supplement 2003, as reaffirmed and reenacted by this  
 26 division of this Act, is amended by adding the  
 27 following new unnumbered paragraph:  
 28 NEW UNNUMBERED PARAGRAPH. This subsection is  
 29 repealed effective July 1, 2010.  
 30 Sec. 44. EFFECTIVE DATE AND RETROACTIVE  
 31 APPLICABILITY PROVISIONS. This division of this Act,  
 32 being deemed of immediate importance, takes effect  
 33 upon enactment, and is retroactively applicable to  
 34 January 1, 2003, for tax years beginning on or after  
 35 that date.

36 DIVISION VII

37 COMMERCIALIZATION OF RESEARCH ISSUES

38 Sec. 45. The following provisions, as published in  
 39 Iowa Code Supplement 2003, pertaining to  
 40 commercialization of research issues, are reaffirmed  
 41 and reenacted:  
 42 1. Section 262.9, subsection 31.  
 43 2. The amendment to section 262B.1.  
 44 3. The amendment to section 262B.2.  
 45 4. The amendment to section 262B.3.  
 46 5. The amendment to section 262B.5.  
 47 Sec. 46. Section 262.9, subsection 31, Code  
 48 Supplement 2003, as reaffirmed and reenacted by this  
 49 division of this Act, is amended by adding the  
 50 following new unnumbered paragraph:

Page 13

1 NEW UNNUMBERED PARAGRAPH. This subsection is  
 2 repealed effective July 1, 2010.  
 3 Sec. 47. NEW SECTION. 262B.4 DUTIES OF THE  
 4 CONSORTIUM.  
 5 1. Each consortium shall assist the university in  
 6 efforts to maximize the economic benefits outlined in  
 7 section 262B.2. More specifically, it shall assist

8 the university by making recommendations for:  
9 a. The development of strategies and materials  
10 useful in marketing university resources to out-of-  
11 state firms interested in an Iowa site.  
12 b. Matching university resources with the needs of  
13 existing Iowa firms.  
14 c. Evaluation of university research for  
15 commercial potential.  
16 d. The development of a plan that will improve  
17 private sector access to the university and the  
18 transfer of technology from the university to the  
19 private sector.  
20 2. In order to carry out its objectives the  
21 consortium shall perform, but is not limited to, the  
22 following tasks:  
23 a. Receive and review selected research synopses.  
24 b. Disseminate information on research activities  
25 of the university.  
26 c. Identify research needs of existing Iowa  
27 businesses and recommend ways in which the university  
28 can meet these needs.  
29 d. On a case-by-case basis, suggest business and  
30 financial tactics useful in realizing the commercial  
31 potential of university research projects.  
32 e. Provide applied technical referral services, if  
33 appropriate, including but not limited to the  
34 following duties:  
35 (1) To determine and evaluate the research or  
36 applied technology needs of businesses and farms  
37 requesting assistance.  
38 (2) To recommend technology transfer strategies to  
39 farms for more efficient production of agricultural  
40 commodities, or to businesses for developing and  
41 testing new products, adapting new technologies to  
42 manufacturing processes or methods, conducting  
43 marketing analyses of new products or processes, and  
44 identifying potential financing on new technology-  
45 based products or manufacturing processes.  
46 (3) To refer businesses and farmers to  
47 universities, community colleges, small business  
48 development centers, other private businesses, and  
49 other research and technology transfer activities and  
50 programs which are beneficial to the development of

Page 14

1 new products and the application of technology.  
2 Sec. 48. NEW SECTION. 262B.7 REPEAL.  
3 The amendments to sections 262B.1, 262B.2, 262B.3,  
4 and 262B.5, and this section are repealed effective  
5 July 1, 2010.  
6 Sec. 49. Section 262B.4, Code 2003, is repealed.

7 Sec. 50. EFFECTIVE DATE AND RETROACTIVE  
8 APPLICABILITY PROVISIONS.

9 1. This division of this Act, being deemed of  
10 immediate importance, takes effect upon enactment, and  
11 is retroactively applicable to July 1, 2003.

12 2. New section 262B.4, replacing repealed section  
13 262B.4, takes effect July 1, 2010.

14 DIVISION VIII

15 LOAN AND CREDIT GUARANTEE FUND

16 Sec. 51. The following provisions, as published in  
17 Iowa Code Supplement 2003, pertaining to the economic  
18 development loan and credit guarantee fund, are  
19 reaffirmed and reenacted:

20 1. Section 15E.221.

21 2. Section 15E.222.

22 3. Section 15E.223.

23 4. Section 15E.224.

24 5. Section 15E.225.

25 6. Section 15E.226.

26 7. Section 15E.227, subsection 2, paragraph “c”.

27 Sec. 52. NEW SECTION. 15E.228 LOAN AND CREDIT  
28 GUARANTEE FUND — REPEAL.

29 This division is repealed effective July 1, 2010.

30 Sec. 53. EFFECTIVE DATE AND RETROACTIVE  
31 APPLICABILITY PROVISIONS. This division of this Act,  
32 being deemed of immediate importance, takes effect  
33 upon enactment, and is retroactively applicable to  
34 July 1, 2003.

35 DIVISION IX

36 ECONOMIC ASSISTANCE AND DATA COLLECTION

37 Sec. 54. Section 15E.20, as published in Iowa Code  
38 Supplement 2003, pertaining to business start-up  
39 information, is reaffirmed and reenacted.

40 Sec. 55. Section 15E.20, Code Supplement 2003, as  
41 reaffirmed and reenacted by this division of this Act,  
42 is amended by adding the following new unnumbered  
43 paragraph:

44 NEW UNNUMBERED PARAGRAPH. This section is repealed  
45 effective July 1, 2010.

46 Sec. 56. INTERNET WEB SITE DEVELOPMENT. In  
47 developing the internet web site required in section  
48 15E.20, the department of economic development shall  
49 examine similar efforts in other states and  
50 incorporate the best practices.

Page 15

1 Sec. 57. EFFECTIVE DATE AND RETROACTIVE  
2 APPLICABILITY PROVISIONS. This division of this Act,  
3 being deemed of immediate importance, takes effect  
4 upon enactment, and is retroactively applicable to  
5 July 1, 2003.

6 DIVISION X  
 7 CULTURAL AND ENTERTAINMENT DISTRICTS  
 8 Sec. 58. Section 303.3B, as published in Iowa Code  
 9 Supplement 2003, pertaining to cultural and  
 10 entertainment districts, is reaffirmed and reenacted.

11 Sec. 59. Section 303.3B, Code Supplement 2003, as  
 12 reaffirmed and reenacted by this division of this Act,  
 13 is amended by adding the following new subsection:  
 14 NEW SUBSECTION. 4. This section is repealed  
 15 effective July 1, 2010.

16 Sec. 60. EFFECTIVE DATE AND RETROACTIVE  
 17 APPLICABILITY PROVISIONS. This division of this Act,  
 18 being deemed of immediate importance, takes effect  
 19 upon enactment, and is retroactively applicable to  
 20 July 1, 2003.

21 DIVISION XI  
 22 UNIVERSITY-BASED RESEARCH UTILIZATION PROGRAM

23 Sec. 61. The following provisions, as published in  
 24 Iowa Code Supplement 2003, pertaining to the  
 25 university-based research utilization program, are  
 26 reaffirmed and reenacted:

- 27 1. Section 262B.11.
- 28 2. Section 262B.12.
- 29 3. Section 422.11I.
- 30 4. Section 422.33, subsection 15.

31 Sec. 62. Section 262B.11, subsections 1, 2, 3, and  
 32 4, Code Supplement 2003, as reaffirmed and reenacted  
 33 by this division of this Act, are amended to read as  
 34 follows:

35 1. The department of economic development shall  
 36 establish and administer a university-based research  
 37 utilization program for purposes of encouraging the  
 38 utilization of university-based research, primarily in  
 39 the area of high technology, in new or existing  
 40 businesses. The program shall include the three  
 41 universities under the control of the state board of  
 42 regents, community colleges established under chapter  
 43 260C, and all accredited private universities located  
 44 in the state. For purposes of this section,  
 45 “educational institution” means a university under the  
 46 control of the state board of regents, a community  
 47 college established under chapter 260C, or an  
 48 accredited private university located in the state.

49 2. A new or existing business that utilizes a  
 50 technology developed by an employee at ~~a university~~

Page 16

1 ~~under the control of the state board of regents an~~  
 2 ~~educational institution~~ may apply to the department of  
 3 economic development for approval to participate in  
 4 the university-based research utilization program.

5 The department shall approve an applicant if the  
6 applicant meets all of the following criteria:  
7 a. The applicant utilizes a technology developed  
8 by an employee at ~~a university under the control of~~  
9 ~~the state board of regents~~ an educational institution,  
10 provided that the technology has received a patent  
11 after July 1, 2003. If the applicant has been in  
12 existence more than one year prior to applying, the  
13 applicant shall organize a separate company to utilize  
14 the technology. For purposes of this section, the  
15 separate company shall be considered the applicant  
16 and, if approved, the approved business.  
17 b. The applicant develops a five-year business  
18 plan approved by the department. The plan shall  
19 include information concerning the applicant's Iowa  
20 employment goals and projected impact on the Iowa  
21 economy. The department shall only approve plans  
22 showing sufficient potential impact on Iowa employment  
23 and economic development.  
24 c. The applicant meets a minimum-size business  
25 standard determined by the department.  
26 d. The applicant provides annual reports to the  
27 department that include employment statistics for the  
28 applicant and the total taxable wages paid to Iowa  
29 employees and reported to the department of revenue  
30 pursuant to section 422.16.  
31 3. A business approved under the program and the  
32 ~~university~~ employee of an educational institution  
33 responsible for the development of the technology  
34 utilized by the approved business shall be eligible  
35 for a tax credit. The credit shall be allowed against  
36 the taxes imposed in chapter 422, divisions II and  
37 III. An individual may claim a tax credit under this  
38 section of a partnership, limited liability company, S  
39 corporation, estate, or trust electing to have income  
40 taxed directly to the individual. The amount claimed  
41 by the individual shall be based upon the pro rata  
42 share of the individual's earnings from the  
43 partnership, limited liability company, S corporation,  
44 estate, or trust. A tax credit shall not be claimed  
45 under this subsection unless a tax credit certificate  
46 issued by the department of economic development is  
47 attached to the taxpayer's tax return for the tax year  
48 for which the tax credit is claimed. The amount of a  
49 tax credit allowed under this subsection shall equal  
50 the amount listed on a tax credit certificate issued

Page 17

1 by the department of economic development pursuant to  
2 subsection 4. A tax credit certificate shall not be  
3 transferable. Any tax credit in excess of the

4 taxpayer's liability for the tax year may be credited  
5 to the taxpayer's tax liability for the following five  
6 years or until depleted, whichever occurs first. A  
7 tax credit shall not be carried back to a tax year  
8 prior to the tax year in which the taxpayer redeems  
9 the tax credit.

10 4. For the five tax years following the tax year  
11 in which a business is approved under the program, the  
12 department of revenue shall provide the department of  
13 economic development with information required by the  
14 department of economic development from each tax  
15 return filed by the approved business. Upon receiving  
16 the tax return-related information, the department of  
17 economic development shall do all of the following:

18 a. Review the information provided by the  
19 department of revenue pursuant to this subsection and  
20 the annual report submitted by the applicant pursuant  
21 to subsection 2, paragraph "d". If the department  
22 determines that the business activities of the  
23 applicant are not providing the benefits to Iowa  
24 employment and economic development projected in the  
25 applicant's approved five-year business plan, the  
26 department shall not issue tax credit certificates for  
27 that year to the applicant or ~~university~~ employee of  
28 an educational institution and shall determine if  
29 related university share to be equal to zero for that  
30 year.

31 b. Effective for the fiscal year beginning July 1,  
32 2004, and for subsequent fiscal years, issue a tax  
33 credit certificate to the approved business and the  
34 ~~university~~ employee of an educational institution  
35 responsible for the development of the technology  
36 utilized by the approved business in an amount  
37 determined pursuant to subsection 5. A tax credit  
38 certificate shall contain the taxpayer's name,  
39 address, tax identification number, the amount of the  
40 tax credit, and other information required by the  
41 department of revenue.

42 c. (1) ~~Determine~~ If the educational institution  
43 at issue is a university under the control of the  
44 state board of regents, determine the university share  
45 which is equal to the value of thirty percent of the  
46 tax liability of the approved business for purposes of  
47 making an appropriation pursuant to section 262B.12,  
48 to the university where the technology utilized by the  
49 approved business was developed. A university share  
50 shall not exceed two hundred twenty-five thousand

Page 18

1 dollars per year per technology utilized. For each  
2 technology utilized, the aggregate university share

3 over a five-year period shall not exceed six hundred  
4 thousand dollars.

5 (2) The department shall maintain records for each  
6 university during each fiscal year regarding the  
7 university share each university is entitled to  
8 receive through the appropriation in section 262B.12.  
9 A university shall be entitled to receive the total  
10 university share for that particular university during  
11 the previous fiscal year.

12 d. For the fiscal year beginning July 1, 2004, not  
13 more than two million dollars worth of certificates  
14 shall be issued pursuant to paragraph “b”. For the  
15 fiscal year beginning July 1, 2005, and every fiscal  
16 year thereafter, not more than ten million dollars  
17 worth of certificates shall be issued pursuant to  
18 paragraph “b”.

19 Sec. 63. Section 262B.11, subsection 5, paragraph  
20 b, Code Supplement 2003, as reaffirmed and reenacted  
21 by this division of this Act, is amended to read as  
22 follows:

23 b. For the ~~university~~ employee of an educational  
24 institution responsible for the development of the  
25 technology utilized by the approved business, the  
26 value of the tax credit certificate shall equal ten  
27 percent of the tax liability of the approved business.  
28 If more than one employee is responsible for the  
29 development of the technology, the value equal to ten  
30 percent of the tax liability of the approved business  
31 shall be divided equally and individual tax credit  
32 certificates shall be issued to each employee  
33 responsible for the development of the technology.  
34 Each year, the total value of a certificate or  
35 certificates issued for a utilized technology shall  
36 not exceed seventy-five thousand dollars. For each  
37 technology utilized, the total aggregate value of  
38 certificates issued over a five-year period to the  
39 ~~university~~ employee of an educational institution  
40 responsible for the development of the technology  
41 shall not exceed two hundred thousand dollars.

42 Sec. 64. Section 262B.11, Code Supplement 2003, as  
43 reaffirmed, reenacted, and amended by this division of  
44 this Act, is amended by adding the following new  
45 subsection:

46 NEW SUBSECTION. 7. This section is repealed  
47 effective July 1, 2010.

48 Sec. 65. Section 262B.12, Code 2003, is amended by  
49 adding the following new unnumbered paragraph:

50 NEW UNNUMBERED PARAGRAPH. This section is repealed

Page 19

1 effective July 1, 2010.

2 Sec. 66. Section 422.11I, Code Supplement 2003, as  
3 reaffirmed and reenacted by this division of this Act,  
4 is amended by adding the following new unnumbered  
5 paragraph:

6 NEW UNNUMBERED PARAGRAPH. This section is repealed  
7 effective July 1, 2010.

8 Sec. 67. Section 422.33, subsection 15, Code  
9 Supplement 2003, as reaffirmed and reenacted by this  
10 division of this Act, is amended by adding the  
11 following new unnumbered paragraph:

12 NEW UNNUMBERED PARAGRAPH. This subsection is  
13 repealed effective July 1, 2010.

14 Sec. 68. 2004 Iowa Acts, House File 2431, is  
15 repealed.

16 Sec. 69. EFFECTIVE DATE AND RETROACTIVE  
17 APPLICABILITY PROVISIONS.

18 1. The section of this division of this Act  
19 reaffirming and reenacting sections 262B.11, 262B.12,  
20 422.11I, and 422.33, subsection 15, being deemed of  
21 immediate importance, takes effect upon enactment, and  
22 applies retroactively to July 1, 2003.

23 2. The section of this division of this Act  
24 amending section 262B.11, as reaffirmed and reenacted  
25 by this division of this Act, and the sections of this  
26 division of this Act not addressed in subsection 1,  
27 being deemed of immediate importance, take effect upon  
28 enactment.

#### 29 DIVISION XII

30 UNEMPLOYMENT COMPENSATION SURCHARGE

31 Sec. 70. The following provisions, as published in  
32 Iowa Code Supplement 2003, pertaining to the  
33 unemployment compensation surcharge, are reaffirmed  
34 and reenacted:

35 1. Section 96.7, subsection 12, paragraph “a”,  
36 including the amendment to the paragraph made in 2004  
37 Iowa Acts, House File 2208, section 21.

38 2. Section 96.7, subsection 12, paragraph “d”.

39 Sec. 71. EFFECTIVE DATE AND RETROACTIVE  
40 APPLICABILITY PROVISIONS. This division of this Act,  
41 being deemed of immediate importance, takes effect  
42 upon enactment, and is retroactively applicable to  
43 July 1, 2003.

44

45

#### 46 DIVISION XIII

47 ECONOMIC DEVELOPMENT

48 Sec. 72. The following provisions, as published in  
49 Iowa Code Supplement 2003, pertaining to economic  
50 development, are reaffirmed and reenacted:

50 1. Section 15E.18.

Page 20

1 2. Section 15E.19.  
 2 Sec. 73. EFFECTIVE DATE AND RETROACTIVE  
 3 APPLICABILITY PROVISIONS. This division of this Act,  
 4 being deemed of immediate importance, takes effect  
 5 upon enactment, and is retroactively applicable to  
 6 July 1, 2003.

7 DIVISION XIV

8 REHABILITATION PROJECT TAX CREDITS

9 Sec. 74. Section 404A.4, subsection 4, as  
 10 published in Code Supplement 2003, is reaffirmed and  
 11 reenacted, including the amendments in 2004 Iowa Acts,  
 12 House File 401, section 1, and Senate File 2298,  
 13 section 395.

14 Sec. 75. Section 404A.4, subsection 4, as  
 15 reaffirmed and reenacted by this division of this Act,  
 16 is amended by adding the following new unnumbered  
 17 paragraph:

18 NEW UNNUMBERED PARAGRAPH. This subsection is  
 19 repealed effective July 1, 2010.”

20 2. Title page, by striking lines 1 through 3 and  
 21 inserting the following: “An Act relating to  
 22 regulatory, taxation, and statutory requirements  
 23 affecting individuals and business relating to  
 24 economic development and unemployment contribution  
 25 surcharges, making appropriations,”.

MICHAEL E. GRONSTAL  
 DARYL BEALL  
 DENNIS H. BLACK  
 JOE BOLKCOM  
 THOMAS G. COURTNEY  
 WILLIAM A. DOTZLER, JR.  
 ROBERT E. DVORSKY  
 GENE FRAISE  
 JACK HATCH  
 JACK HOLVECK  
 WALLY E. HORN  
 JOHN P. KIBBIE  
 KEITH A. KREIMAN  
 MATT W. McCOY  
 HERMAN C. QUIRMBACH  
 AMANDA RAGAN  
 JOE M. SENG  
 ROGER STEWART  
 STEVE WARNSTADT

S-5410

- 1 Amend Senate File 2312 as follows:
- 2 1. By striking page 3, line 18, through page 9,

3 line 23, and inserting the following:  
 4 “Sec. \_\_. Section 85.70, Code 2003, is amended to  
 5 read as follows:  
 6 85.70 ADDITIONAL PAYMENT FOR ATTENDANCE.  
 7 An employee who has sustained an injury resulting  
 8 in permanent partial or permanent total disability,  
 9 for which compensation is payable under this chapter,  
 10 and who cannot return to gainful employment because of  
 11 such disability, shall upon application to and  
 12 approval by the workers’ compensation commissioner be  
 13 entitled to a ~~twenty-dollar~~ one hundred dollar weekly  
 14 payment from the employer in addition to any other  
 15 benefit payments, during each full week in which the  
 16 employee is actively participating in a vocational  
 17 rehabilitation program recognized by the vocational  
 18 rehabilitation services division of the department of  
 19 education. The workers’ compensation commissioner’s  
 20 approval of such application for payment may be given  
 21 only after a careful evaluation of available facts,  
 22 and after consultation with the employer or the  
 23 employer’s representative. Judicial review of the  
 24 decision of the workers’ compensation commissioner may  
 25 be obtained in accordance with the terms of the Iowa  
 26 administrative procedure Act and in section 86.26.  
 27 Such additional benefit payment shall be paid for a  
 28 period not to exceed thirteen consecutive weeks except  
 29 that the workers’ compensation commissioner may extend  
 30 the period of payment not to exceed an additional  
 31 thirteen weeks if the circumstances indicate that a  
 32 continuation of training will in fact accomplish  
 33 rehabilitation.”  
 34 2. By renumbering as necessary.

WILLIAM A. DOTZLER, JR.

## S-5411

1 Amend Senate File 2312 as follows:  
 2 1. Page 6, line 7, by inserting after the word  
 3 “employment.” the following: “The general assembly  
 4 intends that changes in the identity of the employee’s  
 5 employer that do not require the employee to reenter  
 6 the competitive labor market will be treated as if the  
 7 employee remained employed by the same employer.”  
 8 2. Page 6, by inserting after line 7, the  
 9 following:  
 10 “d. It is the intent of the general assembly that  
 11 employees receive full compensation for all  
 12 disabilities that arise out of and in the course of  
 13 employment. If an employee sustains successive  
 14 unscheduled injuries or successive injuries to the  
 15 same scheduled member while working for the same

16 employer, the employer shall be allowed a limited  
 17 credit to the extent of compensation that the employer  
 18 paid under the same paragraph of section 85.34,  
 19 subsection 2, for the previous injury. This credit  
 20 applies only to successive injuries that arise out of  
 21 and in the course of employment with the same employer  
 22 and the credit is allowed only if that employer has  
 23 previously paid compensation to the employee. This  
 24 credit does not apply to successive injuries with  
 25 different employers because the marketplace has  
 26 already made adjustments for the employee's prior  
 27 disability at the time that the employee is hired.  
 28 e. This subsection does not alter second injury  
 29 fund benefits under section 85.64, benefits paid for  
 30 permanent total disability under section 85.34,  
 31 subsection 3, the compensable character of aggravation  
 32 injuries, or the distinction between scheduled and  
 33 unscheduled disabilities.”

WILLIAM A. DOTZLER, JR.

## S-5412

1 Amend Senate File 2312 as follows:  
 2 1. Page 14, by inserting after line 6 the  
 3 following:  
 4 “DIVISION \_\_\_\_  
 5 MILITARY FAMILY RELIEF ENDOWMENT FUND  
 6 APPROPRIATION  
 7 Sec. \_\_\_\_ NEW SECTION. 29.4 MILITARY FAMILY  
 8 RELIEF ENDOWMENT FUND.  
 9 1. A military family relief endowment fund is  
 10 created as a separate and distinct fund in the state  
 11 treasury under the control of the department of public  
 12 defense.  
 13 2. Revenue for the military family relief  
 14 endowment fund shall include, but is not limited to,  
 15 the following:  
 16 a. Moneys credited to the fund pursuant to an  
 17 appropriation by the general assembly.  
 18 b. Moneys in the form of a devise, gift, bequest,  
 19 donation, or federal or other grant intended to be  
 20 used for the purposes of the fund.  
 21 3. Moneys in the military family relief endowment  
 22 fund are not subject to section 8.33. Notwithstanding  
 23 section 12C.7, subsection 2, interest or earnings on  
 24 moneys in the fund shall be credited to the fund.  
 25 Interest earned and credited to the fund may be used  
 26 for the purposes specified in subsection 4. Any  
 27 nondistributed interest in a fiscal year shall first  
 28 be applied to the Iowa veterans surplus fund.  
 29 4. Moneys in the military family relief endowment

30 fund are appropriated to the department of public  
31 defense to be used to make grants to families of  
32 persons who are members of the Iowa national guard or  
33 Iowa residents who are members of the reserve forces  
34 of the armed forces of the United States and who have  
35 been called to active duty since September 11, 2001.  
36 Grants shall be provided on the basis of need. The  
37 family shall document to the extent required by the  
38 department a need for financial assistance for  
39 clothing, food, housing, utilities, medical services  
40 or prescriptions, insurance payments, vehicle  
41 payments, or other related necessities of daily living  
42 while the qualified individual is on active duty or  
43 has a service-related injury or illness.

44 5. The department of public defense shall  
45 establish eligibility criteria for the grants by rule.

46 Sec. \_\_\_\_ APPROPRIATION. There is appropriated  
47 from the general fund of the state to the military  
48 family relief endowment fund for the fiscal year  
49 beginning July 1, 2004, and ending June 30, 2005, the  
50 sum of \$15,000,000 for purposes of the fund.

Page 2

1 Sec. \_\_\_\_ EFFECTIVE DATE. This division of this  
2 Act, being deemed of immediate importance, takes  
3 effect upon enactment.”

4 2. Page 15, line 6, by inserting after the word  
5 “purposes,” the following: “but only”.

6 3. Page 15, line 7, by striking the word and  
7 figure “May 5” and inserting the following: “October  
8 1”.

9 4. Page 15, by inserting after line 7, the  
10 following: “For property acquired after May 5, 2003,  
11 and on or before October 1, 2003, if the taxpayer has  
12 taken the deduction allowed in section 168(k)(4), as  
13 enacted by Pub. L. No. 108–27, in computing federal  
14 adjusted gross income, the adjustments in paragraph  
15 “a” shall be made.”

16 5. Page 16, line 4, by inserting after the word  
17 “purposes,” the following: “but only”.

18 6. Page 16, line 5, by striking the word and  
19 figure “May 5” and inserting the following: “October  
20 1”.

21 7. Page 16, by inserting after line 5, the  
22 following: “For property acquired after May 5, 2003,  
23 and on or before October 1, 2003, if the taxpayer has  
24 taken the deduction allowed in section 168(k)(4), as  
25 enacted by Pub. L. No. 108–27, in computing federal  
26 adjusted gross income, the adjustments in paragraph  
27 “a” shall be made.”

28 8. Title page, line 4, by inserting after the  
29 word “surcharges,” the following: “military family  
30 relief.”.

KEITH A. KREIMAN  
DARYL BEALL

### S-5413

1 Amend Senate File 2312 as follows:  
2 1. By striking page 4, line 27 through page 6,  
3 line 9.  
4 2. Page 7, by inserting after line 1, the  
5 following:  
6 “Sec. \_\_\_\_ NEW SECTION. 85.73 SUCCESSIVE INJURY  
7 COMPENSATION FUND.  
8 This division shall be known and referred to as the  
9 “Successive Injury Compensation Fund”.  
10 Sec. \_\_\_\_ NEW SECTION. 85.74 PAYOUT OUT OF FUND.  
11 If an employee, who has previously sustained an  
12 injury arising out of and in the course of employment  
13 which results in permanent partial disability for  
14 which the employee has received compensation pursuant  
15 to the terms of section 85.34, subsection 2, and  
16 subsequently sustains an injury which is compensable  
17 under the terms of section 85.34, subsection 2,  
18 paragraph “u”, the employer shall be liable only for  
19 the degree of industrial disability which would have  
20 resulted from the present injury if there had been no  
21 preexisting disability. In addition to such  
22 compensation, and after the expiration of the full  
23 period provided by law for the payments thereof by the  
24 employer, the employee shall be paid out of the  
25 successive injury compensation fund created by this  
26 division the remainder of such compensation to which  
27 the employee is entitled for the combined effect of  
28 permanent partial disabilities caused by the  
29 employee’s injuries.  
30 Sec. \_\_\_\_ NEW SECTION. 85.75 ESTABLISHMENT OF  
31 FUND — CUSTODIAN.  
32 The successive injury compensation fund is hereby  
33 established under the custody of the treasurer of  
34 state and shall consist of an annual appropriation  
35 from the general fund of the state and any accumulated  
36 interest and earnings on moneys in the successive  
37 injury compensation fund. The treasurer of state is  
38 charged with conservation of the assets of the  
39 successive injury compensation fund. Moneys in the  
40 successive injury compensation fund shall be disbursed  
41 only for the purposes stated in this division, and  
42 shall not at any time be appropriated or diverted to  
43 any other use or purpose. The treasurer of state

44 shall invest any surplus moneys of the fund in  
45 securities which constitute legal investments for  
46 state funds under the laws of this state, and may sell  
47 any of the securities in which the fund is invested,  
48 if necessary, for the proper administration or the  
49 best interests of the fund. Disbursements from the  
50 fund shall be paid by the treasurer of state only upon

Page 2

1 the written order of the workers' compensation  
2 commissioner. The treasurer of state shall quarterly  
3 prepare a statement of the fund, setting forth the  
4 balance of moneys in the fund, the income of the fund,  
5 specifying the source of all income, specifying  
6 payments out of the fund, specifying various items of  
7 payment, and setting forth the balance remaining to  
8 the credit of the fund. The statement shall be open  
9 to public inspection in the office of the treasurer of  
10 state.

11 Sec. \_\_. NEW SECTION. 85.76 REPRESENTATION OF  
12 FUND — COUNSEL — PAYMENT OF AWARD.

13 The attorney general shall appoint a staff member  
14 to represent the treasurer of state and the fund in  
15 all proceedings and matters arising under this  
16 division. In making an award under this division, the  
17 workers' compensation commissioner shall specifically  
18 find the amount the injured employee shall be paid  
19 weekly, the number of weeks of compensation which  
20 shall be paid by the employer, the date upon which  
21 payments out of the fund shall begin, and, if  
22 possible, the length of time the payments shall  
23 continue.

24 Sec. \_\_. NEW SECTION. 85.77 FEDERAL  
25 CONTRIBUTIONS.

26 The treasurer of state is hereby authorized to  
27 receive and credit to the successive injury  
28 compensation fund any sum or sums that may at any time  
29 be contributed to the state by the United States or  
30 any agency thereof, under any Act of Congress or  
31 otherwise, to which the state may be or become  
32 entitled by reason of any payments made out of the  
33 fund to any person with a previous disability."

34 3. Page 7, lines 29 and 30, by striking the  
35 figures and word "85.27, 85.34, 85.36, and 85.70" and  
36 inserting the following: "85.27 and 85.70, enacting  
37 sections 85.73 through 85.77".

38 4. By striking page 8, line 5, through page 9,  
39 line 23.

40 5. By renumbering as necessary.



**EIGHTIETH GENERAL ASSEMBLY  
2004 EXTRAORDINARY SESSION**

**SENATE CONCURRENT RESOLUTION**

**SENATE CONCURRENT RESOLUTION 119:** filed September 7, 2004; adopted by the Senate on September 7, 2004; adopted by the House on September 7, 2004.

1           SENATE CONCURRENT RESOLUTION 119  
2    By: Committee on Rules and Administration  
3    A concurrent resolution to provide for  
4    adjournment sine die.  
5    BE IT RESOLVED BY THE SENATE, THE HOUSE OF  
6    REPRESENTATIVES CONCURRING, That when adjournment is  
7    had on Tuesday, September 7, 2004 it be the final  
8    adjournment of the 2004 Extraordinary Session of the  
9    Eightieth General Assembly.

**SENATE RESOLUTIONS**

**SENATE RESOLUTION 181:** filed September 7, 2004; adopted by the Senate on September 7, 2004.

1           SENATE RESOLUTION 181  
2    By: Committee on Rules and Administration  
3    A resolution to honor the Meskwaki tribe members who  
4    served as Code Talkers in North Africa during World  
5    War II and to request that Congress and the President  
6    of the United States honor all Code Talkers who served  
7    in the United States armed forces.  
8    WHEREAS, the languages of several Native American  
9    tribes were developed for use as code during both  
10   World War I and World War II and members of at least  
11   18 tribes participated in the transmission of vital  
12   information regarding the location of enemy troops and  
13   numbers of enemy guns; and  
14   WHEREAS, this code was never broken and the Native  
15   American Code Talkers who transmitted the messages are  
16   credited with saving the lives of countless numbers of  
17   American soldiers; and  
18   WHEREAS, these Code Talkers worked under terrible  
19   conditions, taking extreme risks to provide the  
20   necessary military information for our military forces  
21   and sworn to secrecy in the event they were captured;  
22   and  
23   WHEREAS, eight members of the Meskwaki tribe from  
24   Tama County, including Frank Sanache, his brother

25 Willard Sanache, Dewey Youngbear, Edward Benson, Judie  
26 Wayne Wabaunasee, Mike Wayne Wabaunasee, Dewey  
27 Roberts, and Melvin Twin, served as scouts and Code  
28 Talkers for eight companies of their division in North  
29 Africa during World War II; and  
30 WHEREAS, the last of the Code Talkers from the

Page 2

1 Meskwaki tribe, Frank Sanache, who endured terrible  
2 hardships both while stationed in North Africa and  
3 after being captured by the Germans and held prisoner  
4 in a Nazi internment camp in Europe, died in August  
5 2004; and

6 WHEREAS, Congress passed legislation in 2000  
7 authorizing the issuance of Congressional Medals of  
8 Honor to recognize the service of the Navajo Code  
9 Talkers, which were presented by the President of the  
10 United States in July of 2001, but members of other  
11 tribes, such as Frank Sanache and the other Meskwaki  
12 Code Talkers, did not receive the same recognition;  
13 and

14 WHEREAS, it is fitting and proper that the valiant  
15 efforts of all Native American Code Talkers be  
16 recognized and honored; NOW THEREFORE,

17 BE IT RESOLVED BY THE SENATE, That the Iowa Senate  
18 recognizes the bravery and dedicated service of the  
19 Meskwaki Code Talkers and expresses gratitude for the  
20 contribution these soldiers made to saving many  
21 American lives; and

22 BE IT FURTHER RESOLVED, That the Iowa Senate  
23 requests and encourages Congress and the President of  
24 the United States to recognize the contributions,  
25 bravery, and dedicated service of all Code Talkers,  
26 including the eight soldiers from the Meskwaki tribe,  
27 in the same manner as the Navajo Code Talkers by  
28 awarding them the appropriate medals of honor; and

29 BE IT FURTHER RESOLVED, That, upon adoption, copies  
30 of this resolution be sent to the Majority and

Page 3

1 Minority Leaders of the United States Senate, the  
2 Speaker, Majority Leader, and Minority Leader of the  
3 United States House of Representatives, to the members  
4 of the Iowa congressional delegation, and to the  
5 President of the United States; and

6 BE IT FURTHER RESOLVED, That, upon adoption, copies  
7 of this resolution be sent to the families of Frank  
8 Sanache and the other Meskwaki tribe members who  
9 served as Code Talkers in World War II.

**SENATE RESOLUTION 182:** filed September 7, 2004; adopted by the Senate on September 7, 2004.

1                   SENATE RESOLUTION 182  
2 By: Committee on Rules and Administration  
3 A resolution recognizing the freedom-loving people of the  
4 nation of Poland.  
5 WHEREAS, the Senate by resolution has honored the  
6 Meskwaki tribe members who served as Code Talkers in  
7 North Africa during World War II and has referred to  
8 the capture and imprisonment in Europe of one of the  
9 tribe members; and  
10 WHEREAS, it is necessary and prudent to dispel any  
11 interpretation of the Senate's passage of the prior  
12 resolution that the Senate infers any responsibility  
13 on the part of the Polish people for the atrocities  
14 committed by the German Nazis in their imprisonment  
15 camps; and  
16 WHEREAS, Polish troops fought alongside American  
17 troops in numerous battles in Europe during World War  
18 II, and today the nations of Poland and the United  
19 States are staunch allies in the war on international  
20 terrorism; NOW THEREFORE,  
21 BE IT RESOLVED BY THE SENATE, That the Senate  
22 recognizes the freedom-loving people of the nation of  
23 Poland and the people of Polish heritage residing in  
24 the United States, the rightful history of the Polish  
25 people, and their continual struggle for peace,  
26 freedom, and democracy in their own country and  
27 abroad; and  
28 BE IT FURTHER RESOLVED, That upon passage, an  
29 official copy of this resolution be sent to Przemyslaw  
30 Grudzinski, Ambassador of the Republic of Poland to

Page 2

1 the United States, and to Les S. Kuczynski, National  
2 Executive Director of the Polish American Congress.

