

tember 1 of the year in which the adjustment is made. The new contract limitation amount shall be published annually as a notice in the Iowa administrative bulletin prior to September 1. The adjusted contract limitation amount shall be calculated by applying the percentage change in the consumer price index for all urban consumers for the most recent available twelve-month period published in the federal register by the United States department of labor, bureau of labor statistics, to the existing contract limitation amount as an increase or decrease, rounded to the nearest dollar. The calculation and publication of the contract limitation amount by the director are exempt from the provisions of chapter 17A.

Approved April 26, 2007

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## CHAPTER 117

### GOVERNMENT INNOVATION AND EXCELLENCE INITIATIVES

*S.F. 155*

**AN ACT** relating to local governments by creating a local government innovation commission and fund, creating a center for governing excellence, and including an effective date.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 8.64, Code 2007, is amended by striking the section and inserting in lieu thereof the following:

8.64 DEFINITIONS.

For purposes of sections 8.65 through 8.68:

1. "Commission" means the local government innovation commission.
2. "Community-wide area" means a distinct geographical area voluntarily formed by and comprised of counties, cities, or townships, or any combination thereof, all of which possess a degree of autonomy in a varying number of matters. State agencies and school districts may also participate in a community-wide area if joined by a county, city, or township.
3. "Department" means the department of management.

Sec. 2. NEW SECTION. 8.65 LOCAL GOVERNMENT INNOVATION COMMISSION.

1. A local government innovation commission is created consisting of fifteen voting members and six nonvoting members.
  - a. Voting members of the commission shall be appointed for a term of three years as follows:
    - (1) One member representing the executive branch appointed by the governor.
    - (2) Two members representing county government appointed by the president of the Iowa state association of counties.
    - (3) Two members representing city government appointed by the president of the Iowa league of cities.
    - (4) One member representing community colleges appointed by the president of the Iowa association of community college presidents.
    - (5) One member representing school districts appointed by the president of the Iowa association of school boards.
    - (6) One member representing the councils of governments appointed by the president of the Iowa association of councils of government.<sup>1</sup>
    - (7) One member representing local law enforcement or fire protection appointed by the governor.

<sup>1</sup> See chapter 215, §240 herein

(8) Two members appointed by the governor, both of whom shall possess private business expertise and who are not employees of any level of government.

(9) Four members representing the general public, one each appointed by the majority leader of the senate, the minority leader of the senate, the speaker of the house of representatives, and the minority leader of the house of representatives.

b. Four nonvoting members of the general assembly shall be appointed for a term of two years commencing at the convening of each general assembly, one each appointed by the majority leader of the senate, the minority leader of the senate, the speaker of the house of representatives, and the minority leader of the house of representatives. However, initial appointments of members under this paragraph shall be made on the effective date of this Act.

c. Two nonvoting members shall be appointed for a term of three years. One of the members shall be the administrator of the homeland security and emergency management division of the Iowa department of public defense, and the other member shall be the director of the department of economic development or the director's designee.

d. To the extent feasible, in making the appointments under paragraphs "a" through "c", the persons authorized to appoint shall give consideration to the appointment of minority persons to the commission.

2. a. Terms of voting members and of nonvoting members specified in subsection 1, paragraph "c", shall begin and end as provided by section 69.19. Any vacancy shall be filled in the same manner as regular appointments are made for the unexpired portion of the regular term.

b. Members of the commission shall be allowed their actual and necessary expenses incurred in the performance of their duties. The members of the commission representing the general public shall also be compensated as provided in section 7E.6. Per diem and expenses paid to commission members shall be paid from moneys appropriated to the local government innovation fund, except that the per diem and expenses of members of the general assembly shall be paid pursuant to section 2.12.

c. The commission shall meet in May of each year for the purpose of electing one of its voting members as chairperson. The commission shall meet at the call of the chairperson or when a majority of the voting members of the commission files a written request with the chairperson for a meeting. Written notice of the time and place of each meeting shall be given to each member of the commission.

d. A majority of the voting members of the commission constitutes a quorum. Any action taken by the commission must be adopted by the affirmative vote of a majority of its voting membership.

e. The commission is located for administrative purposes within the department. The department shall provide office space, staff assistance, administrative support, and necessary supplies and equipment to the commission.

### Sec. 3. NEW SECTION. 8.66 DUTIES OF COMMISSION.

The commission shall do all of the following:

1. Promote, encourage, and advance innovation and creativity in local governance.

2. Develop an application and review process for local governance and revenue models submitted to the commission by a community-wide area. Results, strategies, and desired outcomes identified by the commission in developing its application and review process shall include but not be limited to the following:

a. Cost savings to citizens, in particular lowering of local government property taxes.

b. Creation of, or inducement to create, high-wage, stable employment opportunities for a local government's citizens and more effective leveraging of resources to improve competitive advantage.

c. Elimination of duplication of government administration.

d. More efficient and effective delivery of services by government, including eliminating duplication of service delivery by more than one unit of government in the same area and modernizing services and service delivery to meet the changing public service needs of the area.

e. Creation of a state-local partnership in one or more areas of service delivery and governance that would increase quality and efficiency on the local level.

3. Design an application form to be completed by a community-wide area seeking review of a local governance and revenue model. The application form shall require the community-wide area to demonstrate how the local governance and revenue model will result in reduced local government or state general fund expenditures, how local government fund revenues will increase without an increase in state costs, how local government services will be provided more efficiently or will be of increased quality resulting in greater value from the expenditure of local government revenues, or how the model develops partnerships with the state to provide increased quality and efficiency on the local level.

4. Utilize the department of management, the department of revenue, or other sources of technical expertise designated by the commission to certify savings projected for a proposed local governance and revenue model.

5. Report to the general assembly on or before June 30, 2010, and every three years thereafter, on the accomplishments of community-wide area efforts funded by grants from the local government innovation fund authorized under section 8.67, in achieving the objectives described in subsection 2, paragraphs "a" through "e".

6. On or before January 1, 2009, submit to the general assembly and to the office of the governor recommendations for legislation that would provide flexibility and freedom to local governments in implementing governance and revenue models.

7. a. Prepare a request for proposals for establishment of the Tim Shields center for governing excellence in Iowa as provided in section 8.68, and prepare procedures and a timetable for submission and review of proposals and for selection of a proposal. The proposal process shall be open to public and private not-for-profit institutions of higher education, either individually or in collaboration, located in this state and accredited by the north central association of colleges and secondary schools.

b. The request for proposals shall require each proposal to provide for employment of a full-time director and administrative assistant at the center.

c. The request for proposals shall require each proposal to specify all of the following:

(1) The number and subject area specialties of the research staff; the office space; the support staff; and the computer, library, and research facilities to be provided by the proposing institution or institutions.

(2) The personnel, facilities, and support provided for the training of policymakers, public officials, and students in areas including but not limited to public administration and management, budgetary preparation and analysis, electronic government, local-state government relations, and public policy formulation, implementation, and evaluation.

(3) The funding to be committed by the proposing institution or institutions.

8. Oversee and direct the activities of the Tim Shields center for governing excellence in Iowa.

Sec. 4. NEW SECTION. 8.67 LOCAL GOVERNMENT INNOVATION FUND.

1. A local government innovation fund is created in the state treasury under the control of the department of management for the purpose of stimulating and encouraging innovation in local government by providing moneys for the purpose of providing grants to assist in the implementation of local governance and revenue models.

2. Officials of a community-wide area who have submitted a local governance and revenue model to the commission for review may apply to the commission for a grant from the local government innovation fund to implement all or a portion of such governance and revenue model. Officials seeking a grant from the fund shall complete an application form designed by the commission. Minimum requirements for local government grant requests shall be determined by the commission and adopted by rule by the department of management.

3. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the local government innovation fund shall be credited to the local government innovation fund. Notwithstanding section 8.33, moneys appropriated to and moneys remaining in the local government innovation fund at the end of a fiscal year shall not revert to the general fund of the state.

Sec. 5. NEW SECTION. 8.67A FUTURE REPEAL OF COMMISSION AND FUND. Sections 8.64 through 8.67 and this section are repealed effective June 30, 2019.

Sec. 6. NEW SECTION. 8.68 TIM SHIELDS CENTER FOR GOVERNING EXCELLENCE IN IOWA.

1. The commission shall establish the Tim Shields center for governing excellence in Iowa. The purpose of the Tim Shields center for governing excellence in Iowa is to do all of the following:

a. Enhance the accountability, effectiveness, and efficiency of Iowa's local governments and state agencies by providing objective and nonpartisan research and training support for policymakers and government officials.

b. Integrate the research capacities of the community colleges and public and private universities located in this state and of organizations representing local governments to support management and policy research.

c. Facilitate dialogues among Iowa's state agencies, local governments, community colleges, public and private universities, organizations representing local governments, and citizens on government policy design, implementation, and evaluation.

2. After its creation, the center may solicit, accept, and administer moneys contributed to the center by any source, and may enter into contracts with public or private agencies or may enter into agreements subject to chapter 28E with public and private agencies in order to carry out its purposes. All records of the center including but not limited to records of donations to the center and contracts or agreements entered into by the center shall be public records for purposes of chapter 22.

3. The center shall submit an annual report of the activities of the center to the governor and to the general assembly as provided in section 7A.11A by January 15 of each year.

4. The local government innovation commission created in section 8.65, or a successor agency, shall oversee and direct the activities of the Tim Shields center for governing excellence in Iowa.

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

Approved April 27, 2007

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## CHAPTER 118

### CONSUMER CREDIT OR CREDIT UNION TRANSACTIONS

S.F. 347

**AN ACT** relating to the authority of creditors and credit unions in consumer credit or credit union transactions.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 533.4, Code 2007, is amended by adding the following new subsections: NEW SUBSECTION. 29. Sell, to persons in the field of membership, negotiable checks, including traveler's checks; money orders; and other similar money transfer instruments including international and domestic electronic fund transfers.