

MAR 8 2006  
Place On Calendar

HOUSE FILE 2702  
BY COMMITTEE ON ECONOMIC GROWTH

(SUCCESSOR TO HSB 733)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to alternative and renewable energy for purposes  
2 of economic development.

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

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HF 2702

1 Section 1. Section 15.103, subsection 1, paragraph b,  
2 subparagraph (7), Code Supplement 2005, is amended to read as  
3 follows:

4 (7) Economics or alternative and renewable energy  
5 including the alternative and renewable energy sectors listed  
6 in section 476.42, subsection 1, paragraph "a".

7 Sec. 2. Section 15E.61, unnumbered paragraph 1, Code 2005,  
8 is amended to read as follows:

9 The general assembly finds the following: Fundamental  
10 changes have occurred in national and international financial  
11 markets and in the financial markets of this state. A  
12 critical shortage of seed and venture capital resources exists  
13 in the state, and such shortage is impairing the growth of  
14 commerce in the state. A need exists to increase the  
15 availability of venture equity capital for emerging,  
16 expanding, and restructuring enterprises in Iowa, including,  
17 without limitation, enterprises in the life sciences, advanced  
18 manufacturing, information technology, alternative and  
19 renewable energy including the alternative and renewable  
20 energy sectors listed in section 476.42, subsection 1,  
21 paragraph "a", and value-added agriculture areas. Such  
22 investments will create jobs for Iowans and will help to  
23 diversify the state's economic base.

24 Sec. 3. Section 15E.223, subsection 4, Code 2005, is  
25 amended to read as follows:

26 4. "Targeted industry business" means an existing or  
27 proposed business entity, including an emerging small business  
28 or qualified business which is operated for profit and which  
29 has a primary business purpose of doing business in at least  
30 one of the targeted industries designated by the department  
31 which include life sciences, software and information  
32 technology, advanced manufacturing, value-added agriculture,  
33 alternative and renewable energy including the alternative and  
34 renewable energy sectors listed in section 476.42, subsection  
35 1, paragraph "a", and any other industry designated as a

1 targeted industry by the department.

2 Sec. 4. Section 15E.231, subsection 1, Code Supplement  
3 2005, is amended by adding the following new paragraph:

4 NEW PARAGRAPH. h. Development of the alternative and  
5 renewable energy sector.

6 Sec. 5. Section 15E.351, subsection 1, Code Supplement  
7 2005, is amended to read as follows:

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

23 Sec. 6. Section 260C.18A, subsection 2, unnumbered  
24 paragraph 1, Code Supplement 2005, is amended to read as  
25 follows:

26 Moneys deposited in the funds and disbursed to community  
27 colleges for a fiscal year shall be expended for the following  
28 purposes, provided seventy percent of the moneys shall be used  
29 on projects in the areas of advanced manufacturing,  
30 information technology and insurance, alternative and  
31 renewable energy including the alternative and renewable  
32 energy sectors listed in section 476.42, subsection 1,  
33 paragraph "a", and life sciences which include the areas of  
34 biotechnology, health care technology, and nursing care  
35 technology:

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EXPLANATION

This bill relates to alternative and renewable energy for purposes of economic development.

Currently, members of the Iowa economic development board represent certain areas of expertise, one of which is economics. The bill provides that expertise in alternative and renewable energy may be represented in lieu of the economics area of expertise.

The bill adds alternative and renewable energy to lists of targeted industries as they appear in the Code. Such lists are included under the Iowa fund of funds, in the loan and credit guarantee program, as a possibility for regional development plans, under the business accelerator program, and as part of the workforce training and economic development funds.

HSB 733  
ECONOMIC GROWTH

Wise, Chr.  
Jenkins  
Soderberg

HOUSE FILE \_\_\_\_\_ SF 02702  
BY (PROPOSED COMMITTEE ON  
ECONOMIC GROWTH BILL BY  
CHAIRPERSON HOFFMAN)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

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19 diversify the state's economic base.

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9 to foster the accelerated growth of new and existing  
10 businesses through the provision of technical assistance. The  
11 department shall use moneys appropriated to the department  
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15 section.

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S.F. \_\_\_\_\_ H.F. \_\_\_\_\_

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