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ECONOMIC DEVELOPMENT

HOUSE FILE 474  
BY JENKINS

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

**A BILL FOR**

1 An Act relating to an Iowa new economy council.  
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HC 474

1 Section 1. NEW SECTION. 15E.41 SHORT TITLE.

2 This division shall be known and may be cited as the "Iowa  
3 New Economy Act".

4 Sec. 2. NEW SECTION. 15E.42 DEFINITIONS.

5 As used in this division, unless the context otherwise  
6 requires:

7 1. "Board" means the Iowa economic development board  
8 created in section 15.103.

9 2. "Department" means the Iowa department of economic  
10 development created in chapter 15.

11 3. "Industry clusters" means a group of companies  
12 identified by the department that operate in the same or a  
13 related field, are linked by buyer-seller relationships,  
14 common customers, or other relationships, and rely on an  
15 active set of relationships among themselves for individual  
16 efficiency and competitiveness.

17 Sec. 3. NEW SECTION. 15E.43 INDUSTRY CLUSTERS.

18 1. The department shall define the three industry clusters  
19 of life sciences, advanced manufacturing, and information  
20 solutions.

21 2. The life sciences industry cluster shall include, but  
22 shall not be limited to, industries producing the following:

- 23 a. Value-added agricultural products.  
24 b. Drugs and pharmaceuticals.

25 3. The advanced manufacturing industry cluster shall  
26 include, but shall not be limited to, industries producing or  
27 providing the following:

- 28 a. Plastics.  
29 b. Metals.  
30 c. Printing paper or packaging products.  
31 d. Instruments and measuring devices and medical  
32 instruments.  
33 e. Recycling and waste management.

34 4. The information solutions industry cluster shall  
35 include, but shall not be limited to, industries providing the

1 following:

- 2 a. Insurance and financial services.
- 3 b. Software development.
- 4 c. Telecommunications.

5 Sec. 4. NEW SECTION. 15E.44 IOWA NEW ECONOMY COUNCIL.

6 1. An Iowa new economy council is created. The council  
7 shall consist of nine senior level decision makers and six ex  
8 officio nonvoting members. With the exception of paragraph  
9 "d", the nine senior level decision makers serving on the  
10 council shall be appointed by the governor and include the  
11 following:

- 12 a. One representative of small business.
- 13 b. One representative of each of the three Iowa leadership  
14 councils established in section 15E.46.
- 15 c. One representative of a large company.
- 16 d. One president, or the president's designee, of the  
17 university of Iowa, the university of northern Iowa, or Iowa  
18 state university of science and technology designated by the  
19 state board of regents on a rotating basis.
- 20 e. One representative of a community college.
- 21 f. One representative of a labor union.
- 22 g. One representative of the primary and secondary  
23 educational system.

24 2. The ex officio members of the council shall include the  
25 following:

- 26 a. A person designated by the director of the department  
27 of economic development who is employed with the department  
28 and is an expert on science and technology issues.
- 29 b. The director of the department of economic development,  
30 or the director's designee.
- 31 c. The senate majority leader, or the majority leader's  
32 designee.
- 33 d. The senate minority leader, or the minority leader's  
34 designee.
- 35 e. The speaker of the house of representatives, or the

1 speaker's designee.

2 f. The house minority leader, or the minority leader's  
3 designee.

4 3. The initial appointments required under subsection 1,  
5 paragraph "b", shall be delayed until after the Iowa  
6 leadership councils are established pursuant to section  
7 15E.46.

8 4. The council shall annually elect a chairperson from  
9 among its members.

10 Sec. 5. NEW SECTION. 15E.45 STRATEGIC FOCUS AND  
11 ACTIVITIES.

12 1. The strategic focus of the Iowa new economy council  
13 shall be to support and strengthen the competitiveness of Iowa  
14 businesses within each of the industry clusters. The council  
15 shall address the strategic competitiveness issue by doing all  
16 of the following:

17 a. Developing collaborative industry-led projects in the  
18 industry clusters.

19 b. Leading efforts to improve Iowa's competitive position  
20 in the industry cluster areas.

21 c. Facilitating activities designed to strengthen  
22 relationships and advocate collaboration among Iowa research  
23 institutions and Iowa's technology intensive businesses.

24 2. The Iowa new economy council shall develop and  
25 implement activities addressing all of the following:

26 a. Expanding current initiatives for providing access to  
27 rapid prototyping technology and training and development in  
28 lean manufacturing.

29 b. Exploring projects that offer promise for creating new  
30 strategic business alliances for value-added food,  
31 nutraceutical, and pharmaceutical production in Iowa.

32 c. Supporting strategies to expand access to advanced  
33 telecommunications services in Iowa.

34 d. Exploring the feasibility of creating regional  
35 technology innovation networks in areas of the state with a

1 high concentration of information technology-intensive  
2 businesses.

3 e. Establishing working groups to review competitiveness  
4 issues relating to all of the following topics:

5 (1) Intellectual property.

6 (2) Regulatory policies.

7 (3) Industry specific workforce recruitment strategies.

8 f. Developing a comprehensive marketing and communications  
9 plan that positions Iowa as a world leader in areas of the  
10 industry clusters.

11 g. Exploring the creation of a system for conducting an  
12 ongoing assessment of competitiveness in areas of the industry  
13 clusters.

14 Sec. 6. NEW SECTION. 15E.46 INDUSTRY LEADERSHIP  
15 COUNCILS.

16 In conjunction with the creation of the Iowa new economy  
17 council, three leadership councils shall be established by the  
18 Iowa new economy council to address issues specific to the  
19 industry clusters. The structure, membership, and operational  
20 objectives of the industry leadership councils shall be  
21 determined by the Iowa new economy council.

22 Sec. 7. NEW SECTION. 15E.47 FUNDING.

23 The Iowa new economy council and the industry leadership  
24 councils shall not receive any moneys directly from the state.  
25 Public resources allocated for the operation of the Iowa new  
26 economy council and the industry leadership councils or for  
27 specific projects sponsored by the Iowa new economy council  
28 and the industry leadership councils shall be received through  
29 appropriate performance agreements administered by the  
30 department or other appropriate public entities. Private  
31 moneys secured through contributions, contracts, or other  
32 means would be administered and accounted for as determined by  
33 the Iowa new economy council.

34 Sec. 8. NEW SECTION. 15E.48 REPORTS.

35 The Iowa new economy council shall annually submit a report

1 to the governor and the general assembly concerning the use of  
2 public resources and the results derived from public  
3 investments in the activities sponsored by the council.  
4 Copies of status reports provided under any performance  
5 agreement with the department or other public entity shall be  
6 provided to the governor and the general assembly.

7 EXPLANATION

8 This bill establishes an Iowa new economy council.

9 The bill provides that the council shall consist of nine  
10 senior level decision makers appointed by the governor and six  
11 ex officio, nonvoting members. The bill provides that the  
12 strategic focus of the council shall be to support and  
13 strengthen the competitiveness of Iowa businesses within each  
14 of the industry clusters. The bill provides that "industry  
15 clusters" means a group of companies identified by the  
16 department of economic development that rely on an active set  
17 of relationships among themselves for individual efficiency  
18 and competitiveness.

19 The bill provides that the department shall define the  
20 three industry clusters of life sciences, advanced  
21 manufacturing, and information solutions.

22 The bill provides that the council shall participate in  
23 activities to expand current initiatives for providing access  
24 to rapid prototyping technology and training and development  
25 in lean manufacturing, explore projects that offer promise for  
26 creating new strategic business alliances for value-added  
27 food, nutraceutical, and pharmaceutical production in Iowa,  
28 support strategies to expand access to advanced  
29 telecommunications services in Iowa, explore the feasibility  
30 of creating regional technology innovation networks in areas  
31 of the state with a high concentration of information  
32 technology-intensive businesses, establish working groups to  
33 review competitiveness issues, develop a comprehensive  
34 marketing and communications plan that positions Iowa as a  
35 world leader in areas of the industry clusters, and explore

1 the creation of a system for conducting an ongoing assessment  
2 of competitiveness in areas of the industry clusters.

3 The bill provides that three leadership councils shall be  
4 established by the Iowa new economy council to address issues  
5 specific to the industry clusters.

6 The bill provides that the Iowa new economy council and the  
7 industry leadership councils shall not receive any moneys  
8 directly from the state. The bill provides that public  
9 resources allocated for the operation of the Iowa new economy  
10 council and the industry leadership councils or for specific  
11 projects sponsored by the Iowa new economy council and the  
12 industry leadership councils shall be received through  
13 appropriate performance agreements administered by the  
14 department or other appropriate public entities. The bill  
15 provides that private moneys secured through contributions,  
16 contracts, or other means would be administered and accounted  
17 for as determined by the Iowa new economy council.

18 The bill provides certain reporting requirements relating  
19 to the use of public resources and the results derived from  
20 public investments in the activities sponsored by the council.  
21 The bill also requires copies of status reports provided under  
22 any performance agreement with the department or other public  
23 entity to be provided to the governor and the general  
24 assembly.

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