

MAR 27 2006  
WAYS & MEANS CALENDAR

HOUSE FILE 2770  
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 2736)  
(SUCCESSOR TO HF 2497)

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

**A BILL FOR**

1 An Act relating to economic development by creating a bioscience  
2 funding board and bioscience fund, providing tax incentives  
3 under the high quality job creation Act, and providing an  
4 exempt activity for foreign corporations, and including  
5 effective and retroactive applicability date provisions.

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

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HF 2770

1 Section 1. NEW SECTION. 15E.361 BIOSCIENCE FUNDING BOARD  
2 -- BIOSCIENCE FUND.

3 1. A bioscience funding board is established for purposes  
4 of funding bioscience-related projects. The board shall award  
5 financial assistance from moneys available in the bioscience  
6 fund created in subsection 4. Financial assistance shall not  
7 be used to pay the salary of a salaried employee, but may be  
8 used to pay the salary of a contract employee provided the  
9 employment contract is for not more than five years.

10 Financial assistance may only be used to partially fund an  
11 endowed chair position if significant private contributions  
12 and contributions from foreign governments are used to fund  
13 the position. Not more than twenty-five percent of the cost  
14 of funding an endowed chair position shall be paid with  
15 financial assistance awarded from the bioscience fund. Not  
16 more than twenty-five percent of all moneys deposited into the  
17 bioscience fund may be used for financial assistance to fund  
18 endowed chair positions.

19 2. The board shall consist of the following members:

20 a. Three members of the state board of regents appointed  
21 by the governor and confirmed by the senate pursuant to  
22 section 2.32.

23 b. Three members of a single bioscience development  
24 organization identified by the department pursuant to section  
25 15G.111, subsection 2, appointed by the governor and confirmed  
26 by the senate pursuant to section 2.32.

27 c. Three members appointed by the Iowa economic  
28 development board and confirmed by the senate pursuant to  
29 section 2.32.

30 d. One member selected by the members of the board who  
31 shall serve as the president of the board.

32 3. The terms of the appointed members shall be staggered  
33 as determined by the governor. A vacancy shall be filled by  
34 the appointing authority. Members shall serve three-year  
35 terms and may be reappointed.

1 4. A bioscience fund is created in the state treasury  
2 under the control of the board and consisting of any moneys  
3 appropriated by the general assembly and any other moneys  
4 available to and obtained or accepted by the board for  
5 placement in the fund. Payments of interest, repayments of  
6 moneys loaned pursuant to this section, and recaptures of  
7 loans shall be deposited in the fund. The fund shall be used  
8 to provide grants, loans, forgivable loans, loan guarantees,  
9 and other forms of assistance pursuant to subsection 1.

10 Moneys in the fund are not subject to section 8.33.

11 Notwithstanding section 12C.7, interest or earnings on moneys  
12 in the fund shall be credited to the fund. The board shall  
13 ensure that the fund is an ongoing, self-sustaining fund.

14 As a condition of the receipt of moneys from the fund, the  
15 department shall require recipients to enter into agreements  
16 specifying compliance reporting requirements. If a recipient  
17 of moneys from the fund fails to comply with a reporting  
18 requirement or does not meet other compliance requirements in  
19 an agreement, the recipient is subject to repayment of all or  
20 a portion of the moneys received. An agreement between the  
21 department and a recipient shall specify the method for  
22 determining the amount of moneys which will be repaid in the  
23 event of failure to comply with the requirements of an  
24 agreement.

25 Sec. 2. Section 15.335A, Code Supplement 2005, is amended  
26 by adding the following new subsection:

27 NEW SUBSECTION. 7. a. In calculating the annual wage,  
28 including benefits, pursuant to subsection 1, the department  
29 shall not require a certain wage level, without benefits, to  
30 be met.

31 b. In calculating the value of benefits pursuant to  
32 subsection 1, if an employer offers medical insurance under  
33 both single and family coverage plans, the employer shall be  
34 given credit for providing medical insurance under family  
35 coverage plans to fifty percent of the number of new high-

1 quality jobs employees.

2 Sec. 3. Section 15G.112, subsection 1, Code Supplement  
3 2005, is amended to read as follows:

4 1. In order to receive financial assistance from the  
5 department from moneys appropriated from the grow Iowa values  
6 fund, the average annual wage, including benefits, of new jobs  
7 created must be equal to or greater than one hundred thirty  
8 percent of the average county wage. The department shall not  
9 require any other wage level to be met. For purposes of this  
10 section, "average county wage" and "benefits" mean the same as  
11 defined in section 15I.1.

12 Sec. 4. Section 15I.1, subsection 2, paragraph a, Code  
13 Supplement 2005, is amended to read as follows:

14 a. Medical and dental insurance plans. If an employer  
15 offers medical insurance under both single and family coverage  
16 plans, the employer shall be given credit for providing  
17 medical insurance under family coverage plans to the greater  
18 of fifty percent of the new employees or the actual percentage  
19 of new employees.

20 Sec. 5. Section 422.34A, Code 2005, is amended by adding  
21 the following new subsection:

22 NEW SUBSECTION. 8. Utilizing a distribution facility  
23 within this state, owning or leasing property at a  
24 distribution facility within this state that is used at or  
25 distributed from the distribution facility, or selling  
26 property shipped or distributed from a distribution facility.  
27 For purposes of this subsection, "distribution facility" means  
28 an establishment where shipments of tangible personal property  
29 are processed for delivery to customers. "Distribution  
30 facility" does not include an establishment where retail sales  
31 of tangible personal property or returns of such property are  
32 undertaken with respect to retail customers on more than  
33 twelve days a year except for a distribution facility which  
34 processes customer sales orders by mail, telephone, or  
35 electronic means, if the distribution facility also processes

1 shipments of tangible personal property to customers and if at  
2 least seventy-five percent of the dollar amount of goods sold  
3 through the distribution facility are sold to customers  
4 outside this state.

5 Sec. 6. EFFECTIVE AND RETROACTIVE APPLICABILITY DATE.

6 1. Section 2 of this Act, being deemed of immediate  
7 importance, takes effect upon enactment and applies  
8 retroactively to June 9, 2005.

9 2. Section 5 of this Act, being deemed of immediate  
10 importance, takes effect upon enactment and applies  
11 retroactively to January 1, 2006, for tax years beginning on  
12 or after that date.

13 EXPLANATION

14 This bill relates to economic development by creating a  
15 bioscience funding board and bioscience fund, providing tax  
16 incentives under the high quality job creation Act, and  
17 providing an income tax exempt activity for foreign  
18 corporations.

19 The bill establishes a bioscience funding board for  
20 purposes of funding bioscience-related projects. The bill  
21 creates a bioscience fund in the state treasury under the  
22 control of the board and consisting of any moneys appropriated  
23 by the general assembly and any other moneys available to and  
24 obtained or accepted by the board for placement in the fund.

25 The bill provides that, as a condition of the receipt of  
26 moneys from the fund, the department shall require recipients  
27 to enter into agreements specifying compliance reporting  
28 requirements and repayment terms for noncompliance. The bill  
29 provides that the board shall award financial assistance from  
30 moneys in the bioscience fund. The bill prohibits the use of  
31 financial assistance for paying the salary of a salaried  
32 employee, but allows the use of paying the salary of certain  
33 contract employees. The bill allows financial assistance to  
34 be used to partially fund an endowed chair position only if  
35 significant private contributions and contributions from

1 foreign governments are used to fund the position. The bill  
2 provides that not more than 25 percent of the cost of funding  
3 an endowed chair position shall be paid with financial  
4 assistance awarded from the bioscience fund and not more than  
5 25 percent of all moneys deposited into the fund may be used  
6 for financial assistance to fund endowed chair positions.

7 In determining eligibility for tax incentives under the  
8 high quality job creation Act, a calculation of the annual  
9 wage, including benefits, of new high-quality jobs created  
10 must be performed. The bill provides that, in making the  
11 calculation, the department shall not require a certain wage  
12 level, without benefits, to be met. The bill provides that,  
13 in making a calculation of the value of benefits, if an  
14 employer offers medical insurance under both single and family  
15 coverage plans, the employer shall be given credit for  
16 providing medical insurance under family coverage plans to 50  
17 percent of the number of new high-quality jobs employees.  
18 This provision of the bill takes effect upon enactment and  
19 applies retroactively to June 9, 2005.

20 Currently, in order to receive financial assistance from  
21 the department of economic development from moneys  
22 appropriated from the grow Iowa values fund, the average  
23 annual wage, including benefits, of new jobs created must be  
24 equal to or greater than 130 percent of the average county  
25 wage. The bill prohibits the department from requiring any  
26 other wage level to be met.

27 Currently, under the wage-benefits tax credit program, the  
28 term "benefits" is defined to include certain benefits, one of  
29 which is medical and dental insurance plans. The bill  
30 provides that if an employer offers medical insurance under  
31 both single and family coverage plans, the employer shall be  
32 given credit for providing medical insurance under family  
33 coverage plans to the greater of 50 percent of the new  
34 employees or the actual percentage of new employees.

35 The bill provides that a foreign corporation shall not be

1 considered doing business in this state or deriving income  
2 from sources within this state for the purposes of corporate  
3 income tax liability by utilizing a distribution facility  
4 within this state, owning or leasing property at a  
5 distribution facility within this state that is used at or  
6 distributed from the distribution facility, or selling  
7 property shipped or distributed from a distribution facility.  
8 This provision of the bill takes effect upon enactment and  
9 applies retroactively to January 1, 2006.

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H-8510

1 Amend House File 2770 as follows:

2 1. By striking page 1, line 1, through page 2,  
3 line 24.

4 2. Page 3, by inserting after line 1 the  
5 following:

6 "Sec. \_\_\_\_ . NEW SECTION. 15.362 ENDOWED CHAIRS.

7 1. The state board of regents may create endowed  
8 chair positions at each of the regents universities  
9 using, in part, moneys appropriated to the state board  
10 of regents for purposes of implementing  
11 recommendations provided in separate consultant  
12 reports on bioscience, advanced manufacturing, and  
13 information technology submitted to the department of  
14 economic development in the calendar years 2004 and  
15 2005. Such moneys may only be used to partially fund  
16 an endowed chair position if significant private  
17 contributions and contributions from governmental  
18 entities other than the state and political  
19 subdivisions of the state are used to fund the  
20 position. Not more than fifty percent of the cost of  
21 funding an endowed chair position shall be paid with  
22 such moneys. The endowed chair positions shall be  
23 used to attract scholars recruited nationally and  
24 internationally who can bring with them related start-  
25 up business ventures or a concept for near-term  
26 commercialization.

27 2. The state board of regents shall not use moneys  
28 appropriated to the board for purposes of implementing  
29 recommendations provided in separate consultant  
30 reports on bioscience, advanced manufacturing, and  
31 information technology submitted to the department of  
32 economic development in the calendar years 2004 and  
33 2005 to pay the salary of a salaried employee, but may  
34 use the moneys to pay the salary of a contract  
35 employee provided that the employment contract is for  
36 not more than five years."

37 3. Page 3, by inserting after line 19 the  
38 following:

39 "Sec. \_\_\_\_ . NEW SECTION. 262B.21 RESEARCH AND  
40 DEVELOPMENT PLATFORMS.

41 1. For purposes of this section, and sections  
42 262B.22 and 262B.23, "core platform areas" means the  
43 areas of advanced manufacturing, biosciences,  
44 information solutions, and financial services.

45 2. The state board of regents shall do all of the  
46 following:

47 a. Recruit employees, build capacity, and invest  
48 moneys to ensure rapid scientific progress in the core  
49 platform areas.

50 b. Create endowed chair positions and employ

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1 persons with entrepreneurial expertise.

2 c. Invest in technology development infrastructure  
3 to strengthen and accelerate the scientific and  
4 commercialization work in the core platform areas.

5 d. Provide financial assistance in the form of  
6 grants for purposes of accelerating the transformation  
7 of new and ongoing research and development  
8 initiatives in the core platform areas into commercial  
9 opportunities.

10 e. Actively participate in advisory groups  
11 dedicated to the areas of bioscience advanced  
12 manufacturing, and information solutions.

13 Sec. \_\_\_\_ . NEW SECTION. 262B.22 TECHNOLOGY AND  
14 COMMERCIALIZATION RESOURCE ORGANIZATION.

15 1. The general assembly finds and declares that  
16 the public good requires that Iowa successfully  
17 participate and compete in the emerging world economy.  
18 A technology and commercialization resource  
19 organization is established to formulate and implement  
20 plans and programs for the core platform areas and to  
21 facilitate their commercial application within the  
22 state.

23 2. The technology and commercialization resource  
24 organization shall receive recommendations for  
25 research projects which have commercialization  
26 potential from institutions of higher learning under  
27 the control of the state board of regents. In  
28 cooperation with commercialization experts in the  
29 private sector, the organization shall analyze  
30 research project submissions and make recommendations  
31 regarding which projects should receive funding and  
32 how much funding such projects should receive. The  
33 recommendations of the organization shall be forwarded  
34 to the state board of regents. The state board of  
35 regents shall review the recommendations and may  
36 approve, deny, or modify the recommendations. If the  
37 state board of regents modifies a recommendation, the  
38 modified recommendation shall be returned to the  
39 technology and commercialization resource organization  
40 for consideration and for recommendation. The state  
41 board of regents may award financial assistance to  
42 approved research projects.

43 3. A technology and commercialization resource  
44 organization shall be incorporated under chapter 504.  
45 The organization shall not be regarded as a state  
46 agency, except for purposes of chapter 17A. A member  
47 of the board of directors is not considered a state  
48 employee, except for purposes of chapter 669. A  
49 natural person employed by the organization is a state  
50 employee for purposes of the Iowa public employees'

1 retirement system, state health and dental plans, and  
2 other state employee benefit plans and chapter 669.  
3 Chapters 8, 8A, and 20, and other provisions of law  
4 that relate to requirements or restrictions dealing  
5 with state personnel or state funds, do not apply to  
6 the organization or any employees of the board of  
7 directors or the organization except to the extent  
8 provided in this chapter.

9 4. The board of directors of the organization  
10 shall consist of eight voting members as follows:  
11 a. The president of the state board of regents.  
12 b. The three members of the economic development  
13 subcommittee of the state board of regents.  
14 c. The chief technology officer of the state.  
15 d. One member selected by a biosciences  
16 development organization designated by the department  
17 of economic development pursuant to section 15G.111,  
18 subsection 2.

19 e. The chairperson of the advanced manufacturing  
20 steering group of the department of economic  
21 development.

22 f. The chairperson of the information solutions  
23 steering group of the department of economic  
24 development.

25 5. The members of the board of directors shall  
26 annually elect a president of the board from the board  
27 membership. A vacancy shall be filled by the  
28 appointing authority. Members are eligible for actual  
29 expense reimbursement while fulfilling duties of the  
30 board."

31 4. Page 4, line 6, by striking the words and  
32 figure "Section 2 of this Act" and inserting the  
33 following: "The section of this act amending section  
34 15.335A".

35 5. Page 4, line 9, by striking the words and  
36 figure "Section 5 of this Act" and inserting the  
37 following: "The section of this Act enacting section  
38 422.34A, subsection 8".

39 6. Title page, lines 1 and 2, by striking the  
40 words "bioscience funding board and bioscience fund"  
41 and inserting the following: "technology and  
42 commercialization resource organization".

43 7. By renumbering as necessary.

By STRUYK of Pottawattamie

HOUSE FILE 2770

H-8511

1 Amend House File 2770 as follows:

2 1. By striking page 1, line 1, through page 2,  
3 line 24, and inserting the following:

4 "Sec. \_\_\_\_ . NEW SECTION. 15.361 UNIVERSITY  
5 TECHNOLOGY TRANSFER AND COMMERCIALIZATION REVIEW  
6 COMMITTEE.

7 1. The general assembly finds and declares that  
8 the public good requires that Iowa successfully  
9 participate and compete in the emerging world economy  
10 and that this participation and competition is a  
11 public purpose. A university technology transfer and  
12 commercialization review committee is established for  
13 the public purpose of assisting the universities under  
14 the control of the state board of regents in securing  
15 additional investment in research infrastructure and  
16 information technology and in enhancing the commercial  
17 potential of proposals for research infrastructure and  
18 information technology submitted to the state board of  
19 regents for funding.

20 2. The committee shall consist of all of the  
21 following members:

22 a. Three members of the state board of regents  
23 appointed by the state board of regents.

24 b. Two members appointed by a single bioscience  
25 development organization identified by the department  
26 pursuant to section 15G.111, subsection 2.

27 c. Five members appointed by the governor and  
28 confirmed by the senate pursuant to section 2.32 as  
29 follows:

30 (1) Two members with expertise in advanced  
31 manufacturing.

32 (2) Two members with expertise in information  
33 technology.

34 (3) One member who shall serve as the chairperson  
35 of the committee.

36 3. In reviewing proposals by the universities  
37 under the control of the state board of regents, the  
38 committee shall do all of the following:

39 a. Review the proposals for their applicability to  
40 the targeted areas of biosciences, advanced  
41 manufacturing, or information technology.

42 b. Review the potential of the proposals to  
43 increase economic activity in the state through job  
44 creation, wealth creation, or the creation of new  
45 businesses.

46 c. Identify additional sources of research  
47 financing for the proposals from private sector  
48 businesses or other nonstate sources.

49 d. Identify individuals or companies that are  
50 potential research or commercialization collaborators

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1 in the proposals.

2 e. Within forty-five days of receiving a proposal,  
3 prepare and forward to the state board of regents a  
4 written review of the proposal including  
5 recommendations for approval, denial, or modification  
6 of the proposal.

7 The state board of regents shall review the  
8 recommendations of the committee and shall approve,  
9 deny, or modify the recommendations. If the board  
10 modifies or denies the recommendation, the proposal  
11 shall be resubmitted to the committee for  
12 consideration. The board may award financial  
13 assistance to approved proposals.

14 Sec. \_\_\_\_ . NEW SECTION. 15.362 ENDOWED CHAIRS.

15 1. The state board of regents may create endowed  
16 chair positions at each of the regents universities  
17 using, in part, moneys appropriated to the state board  
18 of regents for purposes of implementing  
19 recommendations provided in separate consultant  
20 reports on bioscience, advanced manufacturing, and  
21 information technology submitted to the department of  
22 economic development in the calendar years 2004 and  
23 2005. Such moneys may only be used to partially fund  
24 an endowed chair position if significant private  
25 contributions and contributions from governmental  
26 entities other than the state and political  
27 subdivisions of the state are used to fund the  
28 position. Not more than fifty percent of the cost of  
29 funding an endowed chair position shall be paid with  
30 such moneys.

31 2. The state board of regents shall not use moneys  
32 appropriated to the board for purposes of implementing  
33 recommendations provided in separate consultant  
34 reports on bioscience, advanced manufacturing, and  
35 information technology submitted to the department of  
36 economic development in the calendar years 2004 and  
37 2005 to pay the salary of a salaried employee, but may  
38 use the moneys to pay the salary of a contract  
39 employee provided that the employment contract is for  
40 not more than five years."

41 2. Title page, by striking lines 1 and 2 and  
42 inserting the following: "An Act relating to economic  
43 development by creating a university technology  
44 transfer and commercialization review committee,  
45 providing tax incentive provisions".

46 3. By renumbering as necessary.

By HUSER of Polk  
WISE of Lee  
THOMAS of Clayton

HOUSE FILE 2770

H-8518

1 Amend House File 2770 as follows:  
2 1. Page 3, by inserting after line 11 the  
3 following:  
4 "Sec. \_\_\_\_ Section 15G.112, Code Supplement 2005,  
5 is amended by adding the following new subsection:  
6 NEW SUBSECTION. 1A. If a project is located in  
7 any nonmetropolitan county or group of contiguous  
8 counties the majority of which includes  
9 nonmetropolitan counties, an applicant may qualify by  
10 meeting one of the following wage threshold  
11 requirements in lieu of the wage threshold requirement  
12 in subsection 1:  
13 a. The average hourly wage of new jobs created  
14 must be equal to or greater than one hundred thirty  
15 percent of one of the following:  
16 (1) For a single county, the average new hire  
17 hourly wage over a three calendar quarter period.  
18 (2) For a region, the average of all contiguous  
19 counties average new hire hourly wage over a three  
20 calendar quarter period.  
21 b. The average hourly wage, including benefits, of  
22 new jobs created must be equal to or greater than one  
23 hundred fifty percent of one of the following:  
24 (1) For a single county, the average new hire  
25 hourly wage over a three calendar quarter period.  
26 (2) For a region, the average of all contiguous  
27 counties average new hire hourly wage over a three  
28 calendar quarter period.  
29 For purposes of this subsection, the wage  
30 thresholds shall be determined by utilizing wage data  
31 available from the local employment dynamics program  
32 of the department of workforce development. The  
33 method for calculating the wage threshold shall be  
34 based on local employment dynamics program data for  
35 all industry sectors and all public and private  
36 entities.  
37 For purposes of this subsection, "metropolitan  
38 county" means a county included in the standard  
39 metropolitan statistical areas as determined by the  
40 United States census bureau."  
41 2. By renumbering as necessary.

By THOMAS of Clayton

H-8518 FILED APRIL 10, 2006

ADOPTED

HOUSE FILE 2770

H-8517

1 Amend the amendment, H-8510, to House File 2770 as  
2 follows:  
3 1. Page 1, line 7, by striking the figure "1."  
4 2. Page 1, by striking lines 27 through 36.

By RAECKER of Polk

H-8517 FILED APRIL 10, 2006

WITHDRAWN

HOUSE FILE 2770

H-8519

1 Amend the amendment, H-8510, to House File 2770 as  
2 follows:

3 1. Page 2, by striking lines 36 through 40 and  
4 inserting the following: "approve, deny, or modify  
5 the recommendations, but the state board of regents  
6 shall not change the primary focus of the proposal.  
7 The state".

By STRUYK of Pottawattamie

H-8519 FILED APRIL 10, 2006

ADOPTED

HOUSE FILE 2770

H-8520

1 Amend House File 2770 as follows:

2 1. Page 2, line 35, by striking the words "fifty  
3 percent of the number of" and inserting the following:  
4 "all".

5 2. Page 3, by striking lines 17 through 19 and  
6 inserting the following: "medical insurance under  
7 family coverage plans to all new employees."

8 3. By striking page 3, line 22, through page 4,  
9 line 4, and inserting the following:

10 "NEW SUBSECTION. 8. Storing tangible personal  
11 property in a warehouse located in Iowa which is not  
12 owned by the corporation provided that not more than  
13 twenty-five percent of the dollar amount of the goods  
14 are delivered or shipped so as to be included in the  
15 gross sales of the corporation within this state as  
16 provided in section 422.33, subsection 2, paragraph  
17 "b", subparagraph (6), provided that not more than  
18 twenty-five percent of the dollar amount of the goods  
19 sold through the warehouse are sold to customers in  
20 Iowa."

By STRUYK of Pottawattamie

H-8520 FILED APRIL 10, 2006

ADOPTED

HOUSE FILE 2770

H-8522

1 Amend the amendment, H-8510, to House File 2770 as  
2 follows:

3 1. Page 1, by striking lines 4 through 36.

4 2. Page 3, by striking line 30 and inserting the  
5 following: "board.

6 Sec. \_\_\_\_ . NEW SECTION. 262B.23 ENDOWED CHAIRS  
7 AND SALARIES.

8 1. The state board of regents may use for salaries  
9 and may create endowed chair positions at each of the  
10 regents universities using, in part, moneys  
11 appropriated to the state board of regents for  
12 purposes of implementing recommendations provided in  
13 separate consultant reports on bioscience, advanced  
14 manufacturing, and information technology submitted to  
15 the department of economic development in the calendar  
16 years 2004 and 2005. Such moneys may only be used to  
17 partially fund an endowed chair position if  
18 significant private contributions and contributions  
19 from governmental entities other than the state and  
20 political subdivisions of the state are used to fund  
21 the position. Not more than fifty percent of the cost  
22 of funding an endowed chair position shall be paid  
23 with such moneys. The endowed chair positions shall  
24 be used to attract scholars recruited nationally and  
25 internationally who can bring with them related start-  
26 up business ventures or a concept for near-term  
27 commercialization."

28 3. By renumbering as necessary.

By RAECKER of Polk

H-8522 FILED APRIL 10, 2006

ADOPTED

HOUSE FILE 2770

H-8562

1 Amend House File 2770 as follows:

2 1. Page 2, line 35, by striking the words "fifty  
3 percent of the number of" and inserting the following:  
4 "all".

5 2. Page 3, by striking lines 17 through 19 and  
6 inserting the following: "medical insurance under  
7 family coverage plans to all new employees."

8 3. Page 4, by striking lines 1 through 4 and  
9 inserting the following: "shipments of tangible  
10 personal property to customers provided that not more  
11 than ten percent of the dollar amount of goods are  
12 delivered and shipped so as to be included in the  
13 gross sales of the corporation within this state as  
14 provided in section 422.33, subsection 2, paragraph  
15 "b", subparagraph (6)."

By HUSER of Polk

STRUYK of Pottawattamie

H-8562 FILED APRIL 19, 2006

ADOPTED

HOUSE FILE 2770

H-8524

1 Amend the amendment, H-8510, to House File 2770 as  
2 follows:

3 1. By striking page 1, line 2, through page 3,  
4 line 30, and inserting the following:

5 "\_\_\_\_. By striking page 1, line 1, through page 2,  
6 line 24, and inserting the following:

7 "Sec. \_\_\_\_ . NEW SECTION. 15.361 UNIVERSITY  
8 TECHNOLOGY TRANSFER AND COMMERCIALIZATION REVIEW  
9 COMMITTEE.

10 1. The general assembly finds and declares that  
11 the public good requires that Iowa successfully  
12 participate and compete in the emerging world economy  
13 and that this participation and competition is a  
14 public purpose. A university technology transfer and  
15 commercialization review committee is established for  
16 the public purpose of assisting the universities under  
17 the control of the state board of regents in securing  
18 additional investment in research infrastructure and  
19 information technology and in enhancing the commercial  
20 potential of proposals for research infrastructure and  
21 information technology submitted to the state board of  
22 regents for funding.

23 2. The committee shall consist of all of the  
24 following members:

25 a. Three members of the state board of regents  
26 appointed by the state board of regents.

27 b. Two members appointed by a single bioscience  
28 development organization identified by the department  
29 pursuant to section 15G.111, subsection 2.

30 c. Five members appointed by the governor and  
31 confirmed by the senate pursuant to section 2.32 as  
32 follows:

33 (1) Two members with expertise in advanced  
34 manufacturing.

35 (2) Two members with expertise in information  
36 technology.

37 (3) One member who shall serve as the chairperson  
38 of the committee.

39 3. In reviewing proposals by the universities  
40 under the control of the state board of regents, the  
41 committee shall do all of the following:

42 a. Review the proposals for their applicability to  
43 the targeted areas of biosciences, advanced  
44 manufacturing, or information technology.

45 b. Review the potential of the proposals to  
46 increase economic activity in the state through job  
47 creation, wealth creation, or the creation of new  
48 businesses.

49 c. Identify additional sources of research  
50 financing for the proposals from private sector

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1 businesses or other nonstate sources.

2 d. Identify individuals or companies that are  
3 potential research or commercialization collaborators  
4 in the proposals.

5 e. Within forty-five days of receiving a proposal,  
6 prepare and forward to the state board of regents a  
7 written review of the proposal including  
8 recommendations for approval, denial, or modification  
9 of the proposal.

10 The state board of regents shall review the  
11 recommendations of the committee and shall approve,  
12 deny, or modify the recommendations. If the board  
13 modifies or denies the recommendation, the proposal  
14 shall be resubmitted to the committee for  
15 consideration. The board may award financial  
16 assistance to approved proposals.

17 Sec. \_\_\_\_ . NEW SECTION. 15.362 ENDOWED CHAIRS.

18 1. The state board of regents may create endowed  
19 chair positions at each of the regents universities  
20 using, in part, moneys appropriated to the state board  
21 of regents for purposes of implementing  
22 recommendations provided in separate consultant  
23 reports on bioscience, advanced manufacturing, and  
24 information technology submitted to the department of  
25 economic development in the calendar years 2004 and  
26 2005. Such moneys may only be used to partially fund  
27 an endowed chair position if significant private  
28 contributions and contributions from governmental  
29 entities other than the state and political  
30 subdivisions of the state are used to fund the  
31 position. Not more than fifty percent of the cost of  
32 funding an endowed chair position shall be paid with  
33 such moneys.

34 2. The state board of regents shall not use moneys  
35 appropriated to the board for purposes of implementing  
36 recommendations provided in separate consultant  
37 reports on bioscience, advanced manufacturing, and  
38 information technology submitted to the department of  
39 economic development in the calendar years 2004 and  
40 2005 to pay the salary of a salaried employee, but may  
41 use the moneys to pay the salary of a contract  
42 employee provided that the employment contract is for  
43 not more than five years."

44 2. Page 3, by striking lines 39 through 42 and  
45 inserting the following:

46 "\_\_\_\_. Title page, by striking lines 1 and 2 and  
47 inserting the following: "An Act relating to economic  
48 development by creating a university technology  
49 transfer and commercialization review committee,  
50 providing tax incentive provisions"."

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Page 3

1 3. By renumbering as necessary.

By HUSER of Polk  
WISE of Lee  
THOMAS of Clayton

H-8524 FILED APRIL 10, 2006

WITHDRAWN

HOUSE FILE 2770

H-8526

1 Amend the amendment, H-8510, to House File 2770 as  
2 follows:

3 1. Page 3, by striking lines 9 through 24 and  
4 inserting the following:

5 "4. The board of directors of the organization  
6 shall consist of all of the following members:

7 a. Three members of the state board of regents  
8 appointed by the state board of regents.

9 b. Two members appointed by a single bioscience  
10 development organization identified by the department  
11 pursuant to section 15G.111, subsection 2.

12 c. Five members appointed by the governor and  
13 confirmed by the senate pursuant to section 2.32 as  
14 follows:

15 (1) Two members with expertise in advanced  
16 manufacturing.

17 (2) Two members with expertise in information  
18 technology.

19 (3) One member who shall serve as the chairperson  
20 of the board."

21 2. Page 3, by striking lines 25 through 27 and  
22 inserting the following:

23 "5. A vacancy shall be filled by the".

By HUSER of Polk  
WISE of Lee  
THOMAS of Clayton

H-8526 FILED APRIL 10, 2006

LOST