

**MEMORANDUM**

**To:** Board of Regents  
**From:** Board Office  
**Subject:** Report on Legislative Session  
**Date:** March 31, 2003

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**Recommended Actions:**

1. Receive the monthly report on the 2003 Legislative Session.
  2. Approve the recommended Board positions on identified bills.
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**Executive Summary:**

**Legislative Timetable**      The legislature established two dates for completion of most committee work, known as funnel dates:

- March 14 was the final date for most House bills to be reported out of House committees and Senate bills out of Senate committees;
- April 11 is the final date for most Senate bills to be reported out of House committees and House bills out of Senate committees.

The legislative session is expected to end early in May.

**Appropriations Bills**      The House released HF 662, the education operating appropriations for FY 2004, which cuts \$24.9 million below the FY 2003 levels and \$25.1 million below the Governor's recommendations.

The Senate passed SF 433, which provides funding for the Regent economic development programs at the FY 2003 levels, but does not restore the large appropriations reductions made for FY 2003.

The infrastructure and the salaries bills have not yet been introduced.

**Economic Development Activities**      Several bills have been introduced related to economic development, some which directly impact the Regent universities. Legislative liaisons and Board Office continue to actively monitor and work with legislators on these, and university economic development personnel have made presentations to several legislative groups.

**Update**      An oral update will be provided at the meeting of legislative action.

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**Background/Analysis:**

Monitoring The Board Office and the institutions track all bills that may have an impact on the Regent institutions.

Appropriations Bills Attachment A on page 4 details the FY 2003 appropriations, the Governor's recommendations, and the proposed legislative amounts for FY 2004 appropriations to the Regent institutions.

HF 662  
Education  
Appropriations This bill appropriates operating funds to the Regents, excluding tuition replacement, for FY 2004 that are \$24.9 million (-4.5%) less than the state funding for FY 2003.

The proposed bill fails to provide recurring state dollars for mandated FY 2003 salaries increases.

Recommended Board Position: Monitor Closely

SF 433  
Economic  
Development This bill, which passed the Senate on March 26, appropriates FY 2004 funding for the three Regent universities for economic development programs at the FY 2003 ending level.

University of Iowa	\$253,338
Iowa State University	2,424,161
University of Northern Iowa	370,555

The bill also requires a quarterly report on all expenditures.

Recommended Board Position: Monitor

**Select Economic Development Bills**

HF 157 Tax Credit,  
Research Utilization  
Program This bill creates a tax credit program for those who utilize university-based research. It would be administered through the Department of Economic Development.

Recommended Board Position: Monitor

HF 453 / SF 367  
Biotechnology  
Commercialization  
Fund These bills create an animal biotechnology commercialization fund. The bills appropriate \$3,000,000 to the Regents from the tobacco settlement trust fund for the construction of an animal biotechnology commercial pharmaceutical research center to be built in cooperation with the establishment by private and local sources of an animal biotechnology business development center.

Recommended Board Position: Support

HF 592  
Commercialization of  
Research

This bill relates to economic development-related issues at the Regent universities by:

- Amending the composition of the Iowa economic development board and the Iowa workforce development board;
- Changing the university-based research and economic development act (Iowa Code Chapter 262B) to address commercialization of research; and
- Creating an Iowa commercialization advisory council to facilitate communications and identify strategies to advance the state's economy.

Board Office staff and legislative liaisons worked with House members on drafting this measure.

This bill passed the House on March 20.

Recommended Board Position: Support

SF 388 Technology  
Transfer Agent

This bill creates a technology transfer agent in the Governor's office to oversee commercial applications of university technology and research.

Recommended Board Position: Oppose

Other Bills

HF 534 Department of  
Administrative  
Services

This bill establishes the Department of Administrative Services. The House passed an amended version of the bill on March 20, which states that the Regents shall participate in any determination of the department of administrative services on the delivery of designated state services as provided by this section but only if both the department and the Board of Regents approve such participation.

Recommended Board Position: Monitor Closely

SF 313 Public  
Employee Collective  
Bargaining

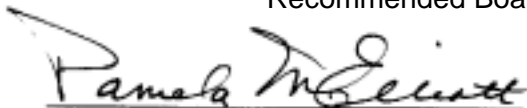
This bill makes changes to the state public employee collective bargaining act.


Recommended Board Position: Monitor

SF 364  
Raises Bid Threshold

This bill, which raises the bid threshold from \$25,000 to \$100,000 for construction projects, is on the Senate calendar. It would allow the universities to use a less costly process to obtain bids for construction projects under \$100,000.

Recommended Board Position: Support

  
Pamela M. Elliott

Approved:   
Gregory S. Nichols