

2019 FEDERAL POLICY AGENDA

ECONOMIC DEVELOPMENT

RESEARCH AND DEVELOPMENT

The Partnership supports sustained federally funded fundamental research and the development and deployment of advanced technologies.

Investments should be made in areas that are critical to the nation's ability to innovate, compete and grow the economy, particularly scientific research, which generates the innovations and discoveries that produce new products and new industries. The Partnership encourages the federal government and agencies such as the National Institute of Standards and Technology to promote research and development.

Federally funded university research is a powerful economic engine, creating important basic and applied discoveries that American industry uses to develop products and processes that keep the nation healthy, safe and prosperous. This research is especially critical in this time of heightened external threats. American superiority in cybersecurity and military technology depends on the scientific advances by university faculty funded through federal research grants. The Partnership supports expanding research grants to universities through the National Institute of Health, the National Science Foundation and other federal basic and applied research providers to help ensure a strong and healthy nation.

The Partnership supports continued adequate funding to support research and development efforts in the region, including at the corporate level, but specifically at Iowa State University. Stable and sustained growth in scientific research funding is essential to efforts that address many of the fundamental issues society faces, such as energy, national security and the continuing search for new vaccines and cures for disease.

The Partnership specifically supports continued investment of the DOE Office of Energy Efficiency and Renewable Energy. This is critical as energy costs and demand continues to increase globally.

NEW MARKETS TAX CREDIT

The Partnership supports legislation permanently extending and perhaps expanding the New Markets Tax Credit (NMTC) program to spur new investment and economic development in disadvantaged communities. Currently, this program is only authorized through 2019.

The NMTC has been an essential component of numerous job creation projects in severely distressed areas of our state, including rural and urban areas of DSM. According to the New Markets Tax Credit Coalition, since 2003 a total of 44 Iowa businesses and economic revitalization projects have received financing through this program. Furthermore, nearly \$390 million in NMTC allocation leveraged an additional \$261.6 million from other sources for a total of \$650.9 million in project investments.



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BROWNFIELDS FUNDING

The Partnership supports continued U.S. Department of Housing and Urban Development (HUD) and U.S. Environmental Protection Agency (EPA) Brownfields funding for sites in DSM. Brownfield sites provide a significant challenge and negative economic impact to distressed urban and rural communities by allowing the continuation of blight. These sites can be successfully redeveloped and put back into active uses that are beneficial to both the local community and the business sector. Federal investments in the Brownfields program have yielded 10 times the economic return, making the program a proven and critical economic stimulus tool.

FEDERAL HISTORIC TAX CREDIT

The Partnership supports the preservation of historic structures, which stimulate Downtown housing, business expansion and neighborhood revitalization. Accordingly, The Partnership supports the continued level of investment through the Federal Historic Tax Incentives program and the following suggested amendments:

- Raising the credit from 20 percent to 30 percent for projects with Qualified Rehabilitation Expenditures of less than \$5 million.
- Restoring the credit payback to a lump sum as opposed to paying it back over a five-year period, which has an adverse effect on the value of the credit to developers.
- Providing an additional 2 percent credit if the building increases its energy efficiency by 30 percent or more in an effort to promote energy-efficiency and cost-savings.
- Removing a provision in the Internal Revenue Code that inhibits the ability of nonprofit organizations from undertaking the most difficult projects in communities in greatest need.
- Eliminating the federal taxation of the proceeds of state credits transferred through partnerships and sold as state tax certificates.
- Redefining "old" buildings by removing the arbitrary date of 1936, which will allow many structures that are currently ineligible to be eligible.

MUNICIPAL AND PRIVATE ACTIVITY BOND FINANCING

The Partnership supports maintaining the ability of state and local governments to utilize tax-exempt bonds. State and local governments access the tax-exempt bond market to fund critical infrastructure, and elimination or limitations on the exclusion of interest thereon from federal tax will increase costs and could result in decreased investment in needed areas. The Partnership also supports re-instituting the ability of state and local governments to advance refund outstanding tax-exempt bonds.

APE COGNITION AND CONSERVATION INITIATIVE

The Partnership supports the Ape Cognition and Conservation Initiative (ACCI) request to National Institutes of Health (NIH) that it be certified to allow chimpanzees to be retired at this facility.



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As NIH continues to minimize the use of chimpanzees as a model for the study of some human diseases, it will continue to permit behavioral, cognitive and genetic studies that are noninvasive and that fit comfortably within the parameters of the Institute of Medicine report. The staff at the ACCI has worked extensively with chimpanzees and bonobos since 1972 and specializes in great apes. The board of ACCI is composed of specialists in primate behavior and genetics from around the world. Currently, there is only one Federal Sanctuary that houses 200 chimpanzees, while listing its eventual capacity at close to 300 individuals. More than 400 chimpanzees will potentially need new enclosures as biomedical facilities scale back research programs under the federal mandate to retire many of the NIH-owned chimpanzees.