



REVIVING MAIN STREET

HOW RURAL IOWA STAYS RELEVANT

BILL McKIM, *General Manager,*
Midland Power Cooperative



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Iowa Association of Business and Industry. "The Voice of Iowa Business since 1903" is the largest business network in the state (serving as Iowa's state chamber) with a long legacy of advocating for a competitive business climate in Iowa. ABI offers its nearly 1,500 member companies and their employees opportunities to network, learn best practices in lean processes, workforce, workers' compensation, controlling health care costs, employee drug testing, environmental issues and leadership. ABI works "to foster a favorable business, economic, governmental and social climate within the State of Iowa so that our citizens have the opportunity to enjoy the highest possible quality of life."

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Membership Development Services Gary Nash, Kerry Servas

Iowa Association of Business and Industry
400 East Court Avenue, Suite 100
Des Moines, IA 50309
515-280-8000 or 800-383-4224
Fax: 515-244-3285
Email: abi@iowaabi.org
Web: www.iowaabi.org

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A VIEW FROM THE TOP



Lori Schaefer-Weaton

ABI Chair

*Agri-Industrial Plastics Co.,
Fairfield*

lori.schaefer@aipcompany.com

Iowa communities show the way on economic development

Welcome to another edition of Business Record Iowa. There is a lot of great information in this month's newsmagazine.

The cover story, about Iowa communities showing the way with regard to economic development, is of special interest. Our company is located in Fairfield, another example of a great Iowa community with a strong business base. By the way, if your city isn't featured and you have a story to tell, please share it.

On another matter, last month's annual Iowa Business Day on the Hill was a huge success. Thank you to those who participated from all across our state. Iowa Business Day on the Hill provided yet another opportunity for ABI members (and members of the Iowa Chamber Alliance and National Federation of Independent Business) to thank state officials for their service and to discuss legis-

lation to help make Iowa a better place to live, work and raise a family.

Finally, I would note that the two flagship hotels are already sold out for the 2017 Taking Care of Business Conference, ABI's 114th annual convention. That event will take place in Dubuque on June 6-7. The good news is that there are still plenty of other lodging options remaining; you can go to iowaabi.org for more information.

The hospitality, speakers, venues and networking at the conference are the very best you will find anywhere in the state. If you and your team attend only one event this year, this is the one that will give you the best return on your investment, in terms of time, money and resources. I look forward to seeing you and your employees in Dubuque.

As always, thank you for your support.

NEED TO KNOW

Three reasons to attend ABI's Taking Care of Business Conference

The 2017 Taking Care of Business Conference is less than two months away. There are many great reasons to attend this annual gathering of Iowa's business leaders, from unparalleled networking to unique learning opportunities. Here are three of the top reasons to attend:

- 1 Meet new mentors, peers and potential clients: The Taking Care of Business Conference attracts 500 business leaders from all industries who are interested in making connections. This is one of the best networking opportunities of the year. Register now, then check out the list of attendees and identify who you'd like to connect with in Dubuque. Of course, this is also a great opportunity to reconnect with old friends. A lot of business gets done during the Taking Care of Business Conference, but it's a fun event, too.
- 2 Strengthen your top team: This event has been designed with your entire management team in mind. Our educational escapes offer valuable lessons for every area of a company, including finance, human resources and leadership. Attend as a group or divide and conquer. Meet up afterward to discuss what was learned and how it can be implemented.
- 3 Celebrate all the ways Iowa companies give back: ABI members and Iowa businesses in general are generous in the ways they give back to their communities, employees and the state. This year's conference will celebrate those philanthropic efforts and offer insight on ways companies can enhance their own giving.

There's still time to register for the 2017 Taking Care of Business Conference, but workshop and activity slots are filling quickly. Visit www.abitakingcareofbusiness.com to register today.





◀ EVENT REWIND

Iowa Business Day on the Hill

MARCH 14 | DES MOINES



Dozens of Iowa business leaders gathered last month to meet with lawmakers and share their thoughts and concerns on the legislative session. ABI partnered with the Iowa Chamber Alliance and the National Federation of Independent Business to put on this event. In addition to hearing from Speaker of the House Linda Upmeyer (R-Clear Lake) and Senate President Jack Whitver (R-Ankeny), the group received legislative briefings from all three host organizations.



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Leadership Iowa

MARCH 2-3 | IOWA CITY



March 2-3 marked the fifth session for this year's Leadership Iowa class. Participants gathered in Iowa City, a fitting location to discuss health care in Iowa. The group was joined by a number of experts in the medical field to provide the latest insight into the issues and successes of Iowa's health care landscape. While spending time at both University of Iowa Hospitals and Clinics and Mercy Hospital, the class discussed hard-hitting topics like mental health and advanced care planning, and learned about wellness initiatives being implemented across the state.



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**APRIL 28****Legislative Update Teleconference (Members Only)**

Teleconference
8:00 AM

MAY 1**Leadership Iowa Nomination Deadline****MAY 2****Regional Public Policy Meeting – Muscatine**

Kent Corporation Conference Center, 1600 Oregon St., Muscatine
Noon

MAY 2**Regional Public Policy Meeting – Fairfield**

Fairfield Golf & Country Club, 905 E. Harrison Ave., Fairfield
4 p.m.

MAY 9**Regional Public Policy Meeting – Des Moines**

ABI Office, 400 East Court Ave., Suite 100, Des Moines
8:30 a.m.

MAY 9**Regional Public Policy Meeting – Atlantic**

Connect-A-Dock, Inc., 1501 Owner Ave., Atlantic
Noon

MAY 4-5**Leadership Iowa, Session VII: Advanced Manufacturing/Transportation**

Burlington

JUNE 6-8**Taking Care of Business Conference**

Dubuque

MAKE NOMINATIONS TO LEADERSHIP IOWA BY MAY 1



The deadline is approaching quickly to submit nominations for Leadership Iowa, a premier statewide issues awareness program provided by the Iowa Association of Business and Industry Foundation.

Nominations will be accepted through May 1 for the 2017-18 class, which begins in October.

Leadership Iowa is an eight-month program designed to educate, inspire and grow a network of informed leaders and to encourage their ongoing local and statewide engagement to create a better future for Iowans.

“Through Leadership Iowa, I was able to increase my knowledge of issues facing Iowans and gain a new perspective on how business is done in our state,” said Lawrence Cunningham, publisher and general manager of the Iowa State Daily Media Group and chair of the Leadership Iowa board of directors. “My involvement in the program helped me to grow my personal and professional network, which I still call upon today.”

More than 1,000 leaders from across Iowa and from all industries have graduated from Leadership Iowa over the past 35 years.

The program is open to all current and emerging leaders who are interested in learning about macro issues important to Iowa and discovering many of Iowa's outstanding communities and organizations. Leadership Iowa offers participants a seat at the table with some of our state's top subject-matter experts, as well as unique opportunities to connect with leaders of diverse opinions, occupations and backgrounds. Leadership Iowa gives participants the tools they need to have a positive impact on organizations, communities and the state of Iowa.

Learn more about the Leadership Iowa program and nominate someone you know or yourself at LeadershipIowa.com.

Visit www.iowaabi.org and click the “Events” tab for details on upcoming events.



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BILL MCKIM, General Manager, Midland Power Cooperative

REVIVING MAIN STREET

HOW RURAL IOWA STAYS RELEVANT



Progressive, innovative and forward-thinking are characteristics commonly used to describe Iowa's small towns that are vibrant and thriving.

Jefferson, Charles City and Le Mars are three of these smaller communities that have taken a holistic approach to ensuring they have a strong future.

They are drawing new residents and keeping existing ones through strong business and community development programs. They are focused on industrial retention, recruitment and entrepreneurship, along with community betterment and quality of life improvements that provide better access to education and health care.

"To be successful in business development today, we believe you also have to be very focused on community development," said Rand Fisher, president of Iowa Area Development Group. "We recognized a long time ago that people aren't going to create and invest in jobs in communities that aren't attractive."

It starts with leadership, planning and coordinating that looks at the entire community to address the three biggest challenges Iowa's communities face: attracting population, providing a vibrant workforce and providing ample housing.

"All three of these communities know they are up against challenges and need to be strongly focused on population attraction and workforce preparedness and readiness and making sure they have the range of housing stock that accommodates new citizens and the existing population," Fisher said.

and brought hundreds of jobs to the community. Other manufacturing businesses are strong, and the downtown area is home to mom and pop businesses that have opened in historic buildings. Other longtime small businesses have stayed open through transition of ownership.

"It brings those amenities and quality of life things that people want," said Bill McKim, chief executive officer and general manager of Midland Power Cooperative, located in Jefferson. The casino "really demonstrated people in the community saying, 'We can make that happen.'"

The casino meant the addition of amenities such as concerts and a new hotel that provide for nighttime entertainment, which has been great for businesses such as McKim's when they bring clients to the community.

Fisher said Jefferson leaders have done a good job of creating a holistic solution rather than looking for a silver bullet to address an issue.

Leaders have addressed how to make the entire community attractive through restoration and beautification, strong infrastructure and improvements, and a strong school system, as well as workforce attraction and population growth through Community 360, a campaign to capitalize on the community's uniqueness, looking at how to market it and how to get millennials to move to Jefferson, said Peg Raney, director of Jefferson Matters Mainstreet.

The hospital recently completed a major renovation and addition that brought state-of-the-art medical care for inpatients, emergency services, surgical care, long-term care facilities, women's services, access to specialists and senior living care.

Like other smaller communities, Jefferson leaders are working to address the issue of providing affordable housing. There is a city employee dedicated to working on infill housing projects, while others are trying to attract new housing development.

"A systematic approach of how to address each of these issues is a good approach," McKim said.

Jefferson and Greene County officials are working to publicize local gems – the Mahanay Bell Tower, historical furniture maker RVP 1875, rooftop and alley art, Thomas Jefferson Gardens and Deal's Orchard – to draw more to the community.

"We are definitely trying to gain some ground on tourism," says Jacque Andrew, the former community relations director for Greene County Medical Center. "We have a number of really great tourism attractions, and we're trying to unify them as a force to bring people to the community."

The bell tower will receive additional bells this year. The renovation of downtown buildings will begin in May, and more rooftop art will be installed that is viewable from an observation tower.

"When you invite somebody into your home, they get a sense of what your family is like and what you value," Raney said. "That's what we've tried to do is really focus on the beauty and tie in historic preservation."

JEFFERSON

Jefferson is described as the "quintessential rural Iowa town." It has all of the amenities of a small town, and is a good place to raise children and where neighbors know one another.

That's part of the reason Chris Deal moved back to his hometown to raise his family. He works for a company based in Des Moines but is involved in his family's fourth-generation apple orchard.

"Jefferson is a community with a lot of momentum right now," he says. "The community is just wonderful. The people are great. People are hardworking. The people are innovative. We love being here and having kids here. That's probably what the businesses see. They see the support. When you're in a small community, everybody is rooting for you. They want you to succeed."

The business community is thriving: A new casino and Hy-Vee grocery store have opened

LE MARS

Le Mars leaders have worked diligently to become more than just the “Ice Cream Capital of the World.”

The community’s hospital recently underwent a \$25 million expansion. A former bank building was purchased and turned into a performance arts theater by The Browns, a family whose musical performances have gained popularity throughout the Midwest. Le Mars’ Alley Art project has led to paintings on nine alleys in the downtown, and almost 40 buildings have murals painted on their exterior.

Le Mars has a strong industrial base and employs more than 4,000 within the community at a variety of companies.

“It’s a cooperative spirit here in the community ... that provides a very business-friendly environment,” said Neal Adler, executive director of the Le Mars Area Chamber of Commerce.

Le Mars’ downtown boasts vibrancy through a number of rehabilitation projects. There is an array of opportunities for shopping, dining and entertainment with very few vacancies in the business area, Adler said.

The city is home to Wells Enterprises Inc., which makes Blues Bunny ice cream products. The Wells family loves the community, which is why the company has remained in Le Mars since 1913, says Kristin Koch, a corporate communications specialist with Wells Enterprises.

“We have a great working relationship with city facilities and the Chamber group,” she says. “We’re both in it to make sure the community succeeds and grows.”

The community of about 10,000 hosts dozens of community events including the popular Ice Cream Days and the Plymouth County Fair, which is the second-largest county fair in the state.

Businesses and city leaders have worked together to ensure Le Mars has the amenities it needs to remain attractive to companies and residents. One of the areas currently being addressed is additional housing options.

Wells employs 2,300, and Koch says the company would like to see more housing in the form of single-family homes for first-time homeowners or condominiums to help those who have a daily commute to the facility.

The region has low unemployment. Companies compete for the same pool of workers, which makes it more important to keep Le Mars attractive for individuals who are looking for jobs and a place to call home, she says.

Construction will soon begin on a 30-unit apartment complex with attached six-plexes that will help fill some of the void with rental properties, but there is still a need for single-family housing in the \$130,000 to \$175,000 range, Adler said.

Le Mars leaders also have thoughtfully planned sites for industrial readiness, and thus have been prepared to accommodate businesses that have come to the city. The city has dry and cold storage, trucking companies, a short-line railroad, a trans-load facility and a Foreign-Trade Zone that other Iowa communities do not have, Adler said.



Wells South Ice Cream Plant is one of two plants manufacturing Blue Bunny ice cream in Le Mars.



Children gather candy along the parade route during the 2016 Le Mars Chamber of Commerce Ice Cream Days.

PHOTOS COURTESY OF WELLS ENTERPRISES





JEFFERSON

POPULATION: 4,345

MAJOR EMPLOYERS: Hy-Vee, Wild Rose Casino & Resort, American Athletic Inc., B&D Manufacturing Inc. and Power Lift

ATTRACTIONS: The Mahanay Bell Tower, historical furniture maker RVP 1875, rooftop and alley art, Thomas Jefferson Gardens, and Deal's Orchard

OTHER DRAWS: A large hospital expansion and renovation, a downtown historic building facade restoration, Wild Rose Casino & Resort entertainment

LE MARS

POPULATION: 9,608

MAJOR EMPLOYERS: Wells Enterprises Inc., BoDeans Baking Group, IML Containers Iowa, Dean Foods

ATTRACTIONS: Known as the "Ice Cream Capital of the World," it hosts an annual Ice Cream Days festival; the Plymouth County Fair.

OTHER DRAWS: Prepared for industry and manufacturing with dry and cold storage, as well as a functioning short-line railroad with a transload site and a Foreign-Trade Zone

CHARLES CITY

POPULATION: 7,652

MAJOR EMPLOYERS: Simply Essentials, Mitas Tires North America, Cambrex of Charles City Inc.

ATTRACTIONS: The state's first whitewater course; a local art collection that features works by Picasso, Salvador Dali, Grant Wood and Rembrandt.

OTHER DRAWS: Located between several major highways and railroads, making it a significant commercial and transportation center; a new state-of-the-art middle school with learning studios

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CHARLES CITY

The community of about 7,600 in Floyd County is innovative and looking for ways to give residents and others the opportunities and amenities they want.

"That's one of the things that's important in order to remain viable," said Justin DeVore, the communication and community engagement officer for the Charles City School District. "We look toward the future. We try to stay on top of things. We try to stay on top of what we need from a community standpoint in order to continue to be innovative and vibrant and viable for people to continue to choose to live here and work here and grow their business here."

Currently, a group is trying to form a municipal utility to provide internet, television and phone services.

"We know that in order to be a relevant community, we have to be able to deliver things that people are expecting in a modern, 21st-century community, and right now that's high-speed broadband at an affordable rate," DeVore said.

The community opened a new middle school last fall that throws out the old ideas of what a school should look like with individual classrooms for separate subjects and created learning studios. Visitors to the school are wowed by what they see, and community leaders use the building as a showcase when trying to sell Charles City.

Tim Fox, executive director of the Charles City Area Development Corp., said the community is well maintained and has good infrastructure and several amenities such as its whitewater course that make it attractive.

Visitors also are impressed by the city's local art collection that features works by Picasso, Salvador Dali, Grant Wood and Rembrandt.

"It's one of those collections that people say, 'I can't believe you have this in your town,'" said Ginger Williams, marketing and tourism coordinator for the Charles City Chamber of Commerce.

The whitewater kayak course was the first of its kind in Iowa and draws visitors from all across Iowa and the United States.

"We have a lot of things to do that people aren't aware of or expect to do in a community of our size," Williams said.

The area, however, is struggling when it comes to housing and workforce – both in the number of people and in providing them with the skill set needed to do the job. More than 200 people travel into Charles City from a nearby community to work, signaling a lack of housing.

There have been improvements, Fox said.

As recently as 2010, the community's unemployment rate was 65.3 percent above the state average. Since that time, it's gotten more in line with and even below the state average. The opening of several new companies and the expansion of others has helped bring hundreds of jobs to the city. The school district's population has been stagnant and even declined, but leaders hope these new manufacturing businesses will lead to more children. ■

BEGIN MAKING YOUR MFG DAY PLANS TODAY

Elevate Advanced Manufacturing is a statewide initiative that is elevating the perception of advanced manufacturing by informing Iowa students and parents about advanced manufacturing careers. Throughout the year, Elevate Advanced Manufacturing hosts events and activities to help fill the skill gap in manufacturing. The first Friday in October is extra special because it is Manufacturing Day (better known as MFG Day). MFG Day is a day to celebrate manufacturing and to inspire the next generation of manufacturers.

Elevate partners with the Center for Industrial Research and Service (CIRAS) at Iowa State University, which leads Iowa's MFG Day efforts, to plan events across the state's 99 counties. Iowa manufacturers are excited to educate the public on what is behind their doors, and the organizations recognize the hardworking individuals who make the work run smoothly.

"Manufacturing Day is a great opportunity to highlight the contributions of manufacturing to our local, state and national economy," said Lori Sheaffer-Weaton, president of Agri-Industrial Plastics Co.

In 2016, Iowa planned 149 events across all 99 counties. These events reached a total of 8,000 Iowans. They were a huge success and CIRAS even received a letter of appreciation and recognition from U.S. secretary of commerce. These were among the events:

- Manufacturers invited students and educators to their facility for a tour and presentations by the company.
- Iowa colleges educated students on STEM careers and the manufacturing industry.
- Manufacturers informed parents about their industry.
- Companies held luncheon and roundtable discussions.

"We love having students of all ages into our facility to share what we do and discuss all the great careers that exist in advanced manufacturing today," Sheaffer-Weaton said.

Other MFG Day partners include the Iowa Association of Business and Industry, Iowa Workforce Development, ISU Extension & Outreach, Project Lead the Way and the Iowa Area Development Group.

This year, MFG partners are encouraging all companies, schools and organizations in Iowa's 99 counties to participate in Manufacturing Day by scheduling an event on Oct. 6 or throughout the month of October.

If you are interested in participating in MFG Day or have questions about hosting an event, please contact Alexandra Monaghan of Elevate Advanced Manufacturing at amonaghan@measuredintentions.com or Glenn Volkman of CIRAS at gvolkman@iastate.edu.

“MANUFACTURING DAY IS A GREAT OPPORTUNITY TO HIGHLIGHT THE CONTRIBUTIONS OF MANUFACTURING TO OUR LOCAL, STATE AND NATIONAL ECONOMY.”

LORI SHEAFER-WEATON
president of Agri-Industrial Plastics Co.





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EXPERT ADVICE

ESOPs offer way to retain businesses in Iowa communities



Greg Weber

Senior Vice President,
BCC Advisers

greg@bccadvisers.com

Rural communities are seeking solutions for retaining and growing local business and employment. Demographic trends imply future difficulties as many businesses are sold when owners retire. While some new owners stay and invest in the local community, others may move management or the entire company to a different location. Is there a solution that would allow retiring owners to liquidate their ownership interests, secure their personal legacy and contribute to the long-term economic success of their community?

An employee stock ownership plan (ESOP) offers an opportunity for an owner to sell a business to its employees. An ESOP is a retirement plan that owns employer stock for the benefit of employees. The ESOP trust that owns the business will maintain local ownership in perpetuity, which can slow the decline in rural communities. Many ESOP-owned businesses perform better than competitors, are more stable during downturns and increase employment. Other benefits include solid financial returns to the seller, tax benefits to the company and the seller, and increased employee motivation. The state of Iowa supports ESOPs by reimbursing part of the cost of establishing an ESOP. An ESOP may not be appropriate for a company with a very small number of employees or one that struggles with profitability, but the benefits make ESOPs one of the more popular ownership transition methods.

Iowa's community banks have known this for decades. Numerous bank owners have sold bank stock to ESOPs to motivate employees and keep a sustainable, locally owned bank, even in smaller Iowa towns. A large percentage of Iowa's community banks are owned in part by an ESOP. This contributes to Iowa's strong community bank culture and maintains local employment and decision-making.

Rural business owners and their advisers would do well to consider an ESOP as a succession option. A truly all-American idea, ESOPs continue a legacy of support for communities while also providing business owners an opportunity to receive fair compensation for their companies.

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TOP TIPS

PARTNERING WITH YOUR LOCAL HOSPITAL IS A WIN-WIN



Steve Cassabaum

President, 21st Century Rehab

steve@21stcenturyrehab.com

To stay vibrant, small towns need local businesses to support each other and provide the jobs and services the community needs. In the towns highlighted in this edition, the local hospitals provide much more than the basic medical needs to ensure families are safe and have access to great local care. Hospitals provide much more than the emergency room, primary care doctors, radiology, inpatient care and therapies. In addition, the hospital typically is a main employer of the region.

Growing up in a small town, my parents always told me to support the local businesses. This includes finding out if that local business can provide the product or service that one does not think it would normally provide. Asking the business owners if they can provide the product or service can turn into a big win for both parties. The customer saves time and expense by staying local while allowing the business to increase/improve the products or services it provides.

Hospitals are no different. I encourage all business owners to find out all the services the local hospital provides. Many of those services can considerably help the bottom line of the business. For the sake of an injured employee, most hospitals provide occupational health services along with therapy services to return that worker back

to work as quickly and safely as possible. Hospitals can also help with preventive measures to avoid future injuries.

Hospitals strive to know what businesses need so they can support them in an array of medical services. Besides basic medical services, hospitals provide valuable prevention services including pre-employment screenings, wellness services, ergonomic consultation, safety education, flu shots, CPR training and blood pressure checks. Many of these services can be provided at your business location. These services can affect the bottom line by improving productivity, employee retention and health, as well as reducing workers' compensation claims and insurance mod rates.

Every business needs to be able to answer this question: "How is your health business going?" Although most businesses are not in health care, the cost of employee health care, workers' compensation and poor health of your employees is becoming more and more of a budgeting nightmare for businesses. Let your local hospital help you with this question while keeping services local and more affordable.

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WORKERS' COMPENSATION REFORMS ADVANCE



Nicole Crain

Senior Vice President,
Public Policy

ncrain@iowaabi.org

Iowa employers and employees will have a more balanced Iowa workers' compensation system under legislation passed this session. Reforming workers' compensation and reintroducing equity to the system has been a key priority for ABI, as established by the more than 150 members and 95 companies that participated in ABI's annual policy development process.

The reform was necessary to help return Iowa's system to a model position among states. In the past, Iowa's workers' compensation system had been recognized for its high benefits for employees and low costs for employers — a win-win.

However, the past decade has seen erosion of the system. Iowa Supreme Court cases and state agency bureaucratic decisions have caused uncertainty and increased costs for companies.

ABI led a coalition of several Iowa business organizations and companies to support changes to Iowa's workers' compensation laws. The goal: Maintain Iowa's rich benefits for injured workers but bring the system back to balance by reducing fraud and abuse of the system.

Thank you to everyone who contacted their elected officials in support of the legislation. You are the reason this has advanced. Legislators and Gov. Terry Branstad have heard from the business community that this was a priority. You are the reason the bill passed. The bill was signed by Branstad on March, 30 and will take effect on July 1, 2017.

Here is a summary of the provisions included in the legislation:

- Helps ensure workplace safety by shifting the burden to the employee when an injury is caused by the employee's intoxication.
- Clarifies the Iowa Code to indicate that the date of injury must be reported within 90 days of the employee realizing the injury is work-related.
- Ensures employer light-duty programs can continue.
- Establishes the shoulder as a scheduled member as opposed to a body of the whole injury.
- Requires that AMA guidelines for scheduled member injuries are adhered to by workers' compensation deputy commissioners.
- Prohibits double recovery of permanent total disability benefits.
- Provides employers credit for benefit overpayments to workers.
- Requires that commutations (lump sum settlements) can no longer be unilaterally requested by the plaintiff, but must be agreed upon by all parties.
- Ensures jurisdiction is clarified to prevent benefits shopping for higher Iowa benefits.
- Prevents attorneys from taking advantage of injured workers by taking fees on voluntary payments by an employer to an employee.
- Significantly reduces the interest rates on workers' compensation judgments.
- Establishes a robust vocational rehabilitation program for injured workers who have shoulder injuries resulting in permanent partial disability.



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CIRAS, IADG test new way to expand industry in Iowa

A 40,000-square-foot building on a nine-acre industrial site in Spencer has become the testing ground for a new initiative in rural economic development — with CIRAS playing a large role.

Spencer City Manager Bob Fagen said the speculative building was constructed as part of a new industrial park along a rail line with 35-foot-high walls because Spencer officials hoped it would prove attractive to a company making equipment for Iowa's growing wind and solar power industries.

Since construction, businesses from a variety of industries have shown glimmers of interest in the facility, Fagen said, although no purchaser has yet materialized. Now, Spencer officials have hit on a possible new way to woo an outside manufacturer to town.

If a company is interested but has concerns about whether the building will work, local officials can connect them with CIRAS to help work through the challenges, said Kiley Miller, president and CEO of the Iowa Lakes Corridor Development Corp.

"Historically, we've referred business to CIRAS many times over the years, but always they were existing employers in the region," Miller said. "This is a new opportunity for us to use CIRAS as a business-attraction partner."

Spencer's building is one of 75 speculative industrial structures that have been constructed over the past 30 years under partnerships involving rural Iowa communities, their local utilities and the Iowa Area Development Group (IADG). All but 10 — the most recently constructed — now belong to

viable Iowa businesses, ranging from food processors to a tire company and a maker of medical devices.

"Research suggests that 80 percent or more of economic development projects start with a search for an existing facility," IADG President Rand Fisher said. "If a company wants to go somewhere, they want it to be as convenient as possible."

CIRAS Director Ron Cox said the initiative makes sense because IADG and its partners essentially are playing the role of investors and developers.

"The argument for it is that in large metropolitan areas, there's enough competition and enough companies coming and going that real estate people will speculate and build these buildings themselves — because they know that they're going to be able to rent them," Cox said. "In rural areas, there's not enough competition for the space, so fewer people want to risk building these."

Cox said CIRAS also sees broader possibilities in a pilot project involving the Spencer building.

CIRAS currently offers a variety of programs designed to help Iowa companies boost growth, increase productivity, embrace new technology and enhance their enterprise leadership.

The newly expanded relationship with IADG, Cox said, will allow CIRAS to broaden that role by assisting in the recruitment of new companies to Iowa and the expansion of existing Iowa companies.

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