

Iowa Does Well on Programs for Minorities

A study conducted by the National Conference of State Legislators (NCSL), shows that Iowa is the **only** state with three significant minority programs.

The analysis included: 1) Small Business Contracts through the Department of Transportation (DOT), 2) Minority Impact Statements, and 3) the Targeted Small Business Financial Assistance program. All three programs were established or improved after years of work by retiring Representative Wayne Ford of Des Moines.

During the legislative session, Iowa revamped a program dealing with DOT road construction contracts. House File 2460 required an annual assessment by the DOT of the impact of federal and nonfederal contracts awarded on socially and economically disadvantaged individuals, women, and persons with disabilities. Recommendations will be submitted to the Governor and General Assembly. An amount of 10% is set aside on highway contracts for bidding by prequalified small businesses, as defined in the bill.

During the 2008 session, House File 2393 required that a correctional impact statement include the impact of criminal justice legislation on minorities. In addition, each application for a grant from a state agency must include a minority impact statement. A minority impact statement would include any unique impact to minorities, the rationale for the impact, and consultation with minorities.

Iowa's Targeted Small Business (TSB) program has existed for 22 years. It was revamped by the Legislature in 2007. It provides for outreach to minority, women, and disabled owned businesses, as well as funding for grants, loans and mentoring. Certification of a TSB is approved through the Department of Inspections and Appeals, and state agencies are encouraged to use a TSB. Financial assistance is approved through a new minority and ethnic balanced board and outreach for the program is provided through the Department of Economic Development.

During the last legislative session, Senate File 2389 provided funding for the program through Fiscal Year 2015. For the fiscal year ending June 30, 2009, the TSB Program awarded \$1.1 million in loans to 35 Iowa targeted small business owners.

The NCSL study showed that nine other states have the small business road construction contracts program, two other states have minority impact statements, and ten other states have financial assistance programs to promote the growth of minority, disabled or women owned businesses. Iowa is the only state with all three programs for minorities.