



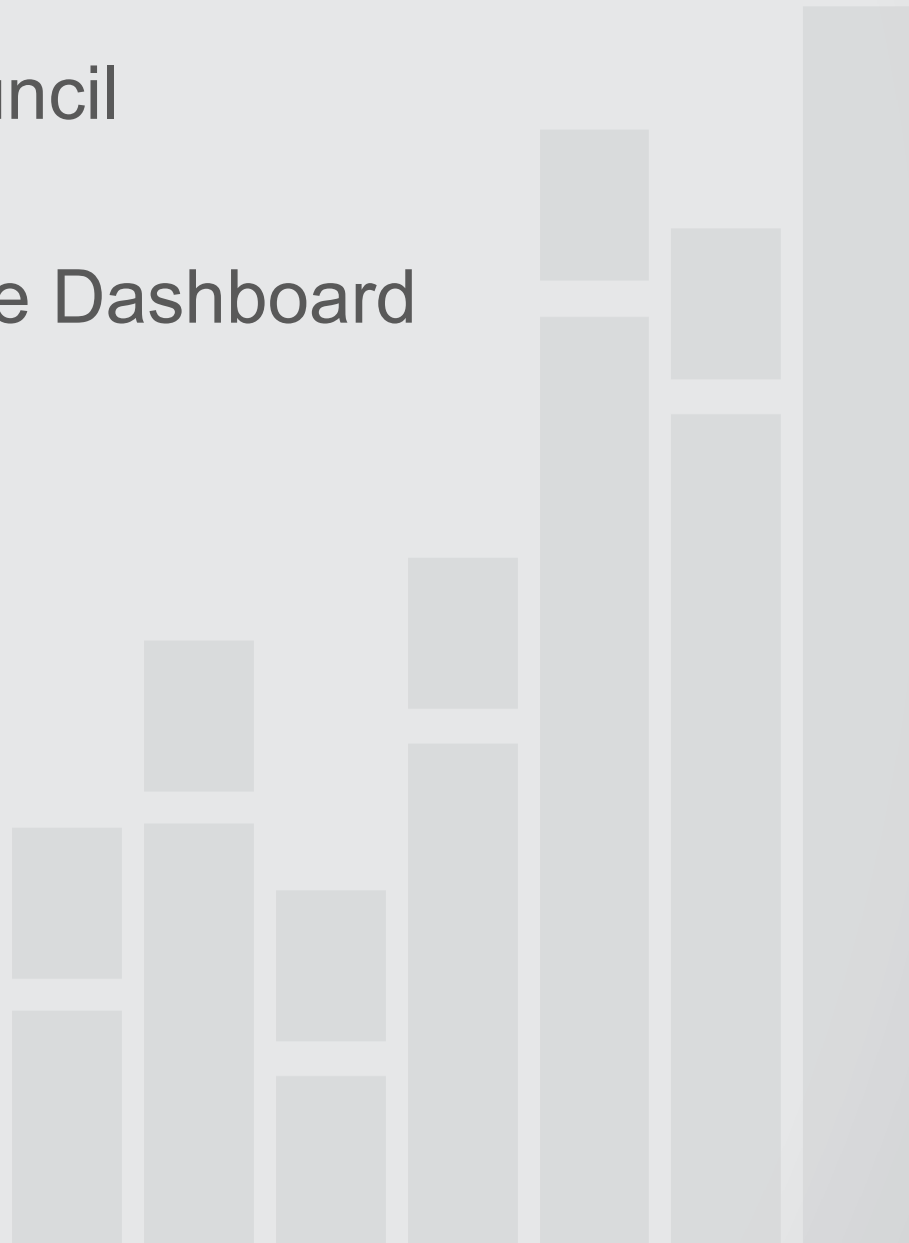
Iowa's Competitive Dashboard and Economic Outlook

Iowa Commercial Real Estate Association


Joe Murphy | May 5, 2021

Topics to Discuss

- About the Iowa Business Council
- Briefing on Iowa's Competitive Dashboard
- COVID-19 Economic Outlook



About the IBC

- Established in 1985
 - Nonpartisan, nonprofit organization
 - Comprised of 22 top executives of Iowa's largest employers
 - The Council's primary functions are global thought leadership, research, and advocacy
 - To serve as a catalyst for economic growth in Iowa
- 

2020 Member Impact

During 2020, IBC
members employed
172,000+ lowans



In 2020, the combined
payroll of IBC members
exceeded **\$9.7 billion**



2020 Member Impact

During 2020, IBC members spent over **\$2 billion** on R&D

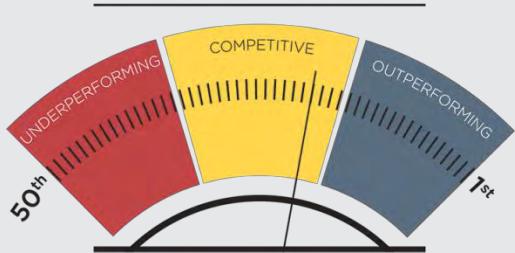


In 2020, IBC members spent over **\$1.6 billion** in capital investment



Iowa's 2021 Competitive Dashboard

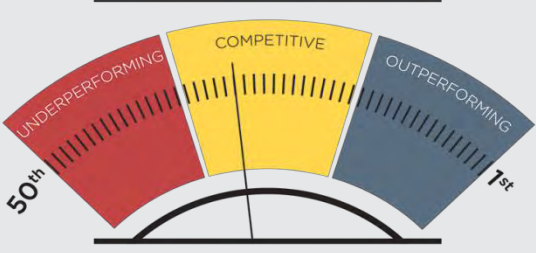
ECONOMIC GROWTH



EDUCATION & WORKFORCE



GOVERNANCE



HEALTH & WELLNESS



DEMOGRAPHICS



Economic Growth

Iowa ranks first in the nation for labor force participation. However, when paired with the state's consistently low unemployment rate, Iowa faces the persistent shortage of available workers for businesses to grow.



GROSS STATE PRODUCT



STATE TECHNOLOGY AND SCIENCE INDEX



LABOR FORCE PARTICIPATION RATE



MANUFACTURING VALUE AS A % OF GSP



MEDIAN HOUSEHOLD INCOME



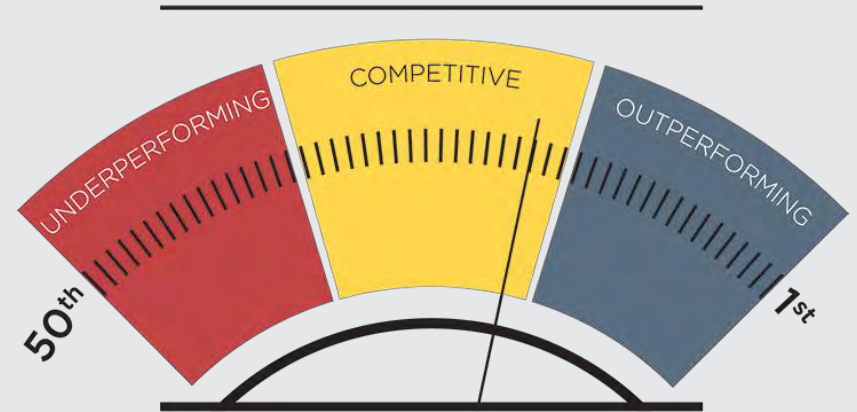
Economic Growth

■ IBC's Recommended Actions

- The IBC believes substantial investment is needed to improve broadband infrastructure and bolster connectivity. This is especially true for rural parts of the state where access, speed and affordability issues are compounded.
- The IBC supports efforts to provide increased investment to the State Housing Trust Fund and Workforce Housing Tax Credit programs. The IBC also encourages state and community leaders to work together to develop a collaborative statewide strategy to meet Iowa's workforce housing needs.

Education & Workforce

Iowa remains in the top 50% of states when it comes to 4th grade reading and 8th grade math proficiency. However, reading levels have slipped 3%, while math dropped 4%. Both metrics are leading indicators for future success.



PROFICIENCY - 4TH GRADE READING



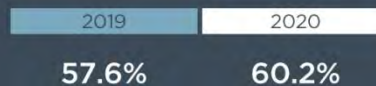
PROFICIENCY - 8TH GRADE MATH



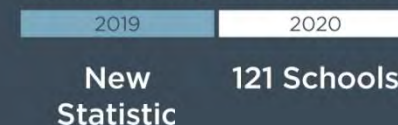
EDUCATIONAL ATTAINMENT HIGH SCHOOL +



FUTURE READY IOWA

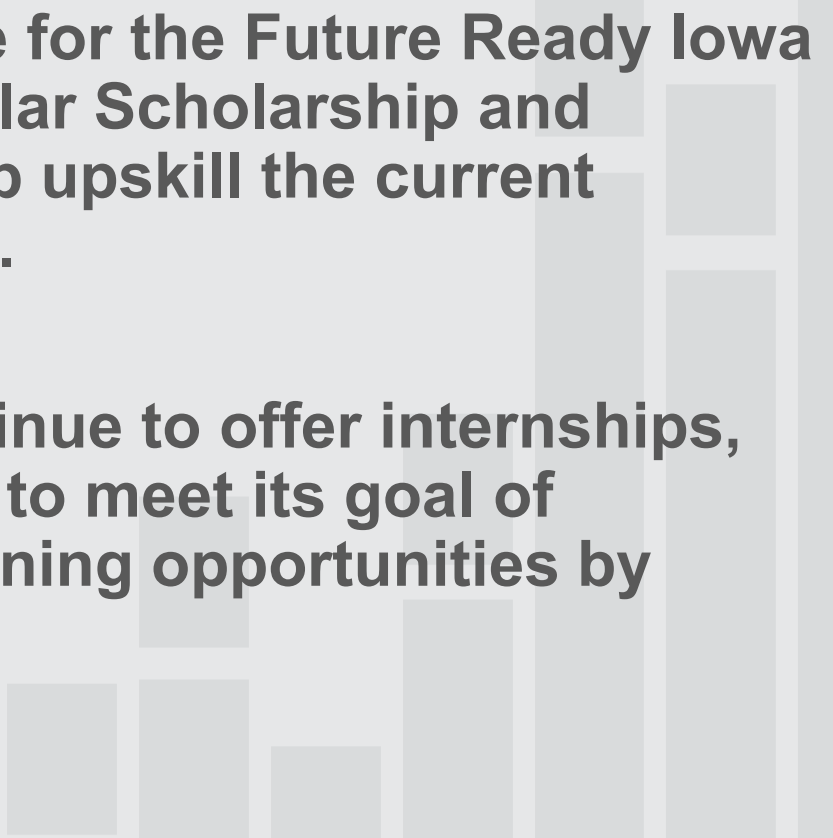


SECONDARY SCHOOL WORK-BASED LEARNING



Education & Workforce

■ IBC's Recommended Actions

- The IBC will continue to advocate for the Future Ready Iowa initiative and to fund the Last Dollar Scholarship and Employer Innovation Fund to help upskill the current workforce into high-demand jobs.
 - IBC member companies will continue to offer internships, externships and apprenticeships to meet its goal of providing 30,000 work-based learning opportunities by 2025.
 - Childcare initiatives
- 

Governance

Iowa's ranking as a best run state has fallen 14 spots this year. This is due in part to a smaller GDP and job creation over a five-year span.



CORPORATE TAX INDEX



INDIVIDUAL INCOME TAX INDEX



MEDICAID EXPENDITURES AS % OF TOTAL EXPENDITURES



STATE PUBLIC-PENSION FUNDED RATIO



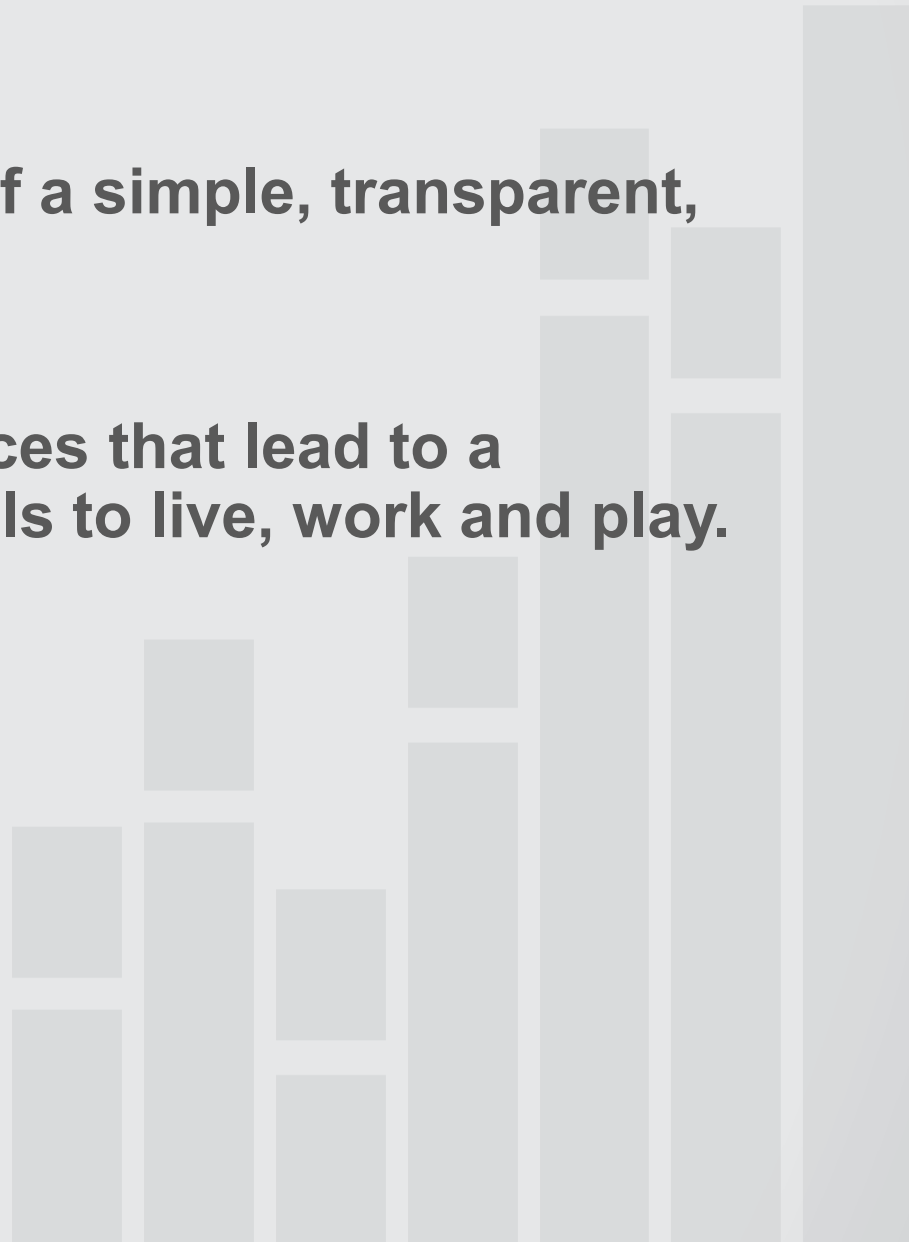
BEST RUN STATES IN AMERICA



Governance

■ IBC's Recommended Actions

- The IBC supports the creation of a simple, transparent, and stable tax structure.
- The IBC will advocate for resources that lead to a competitive climate for individuals to live, work and play.



Health & Wellness

The percentage of lowans lacking health insurance continues to be much lower than most states. Yet the state struggles to recruit and retain active primary care physicians.



ACTIVE PRIMARY CARE PHYSICIANS (PER 100,000)



PERCENT OBESE



PERCENT SMOKERS 18 YEARS AND OLDER



PERCENT LACKING HEALTH INSURANCE

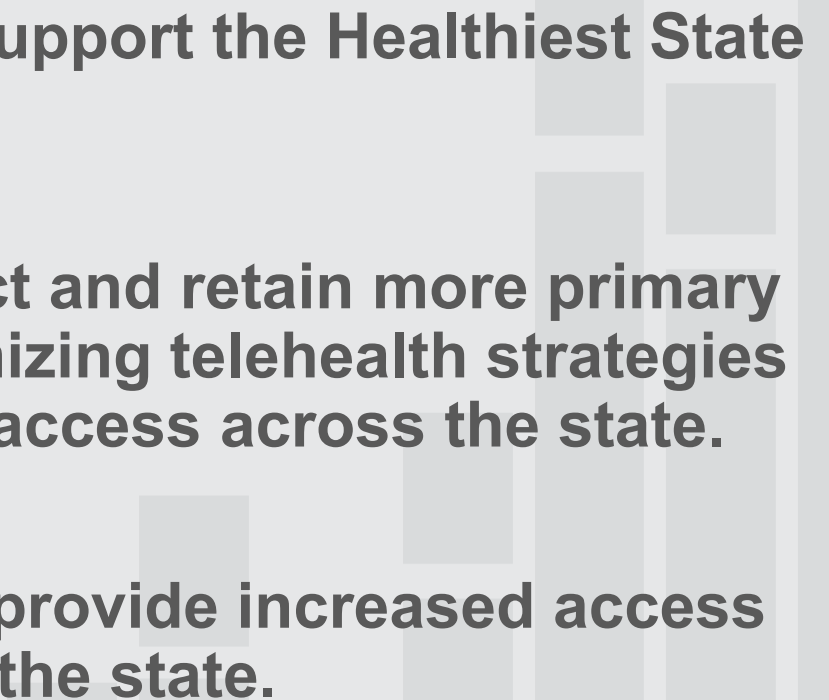


GALLUP-HEALTHWAYS WELL-BEING INDEX



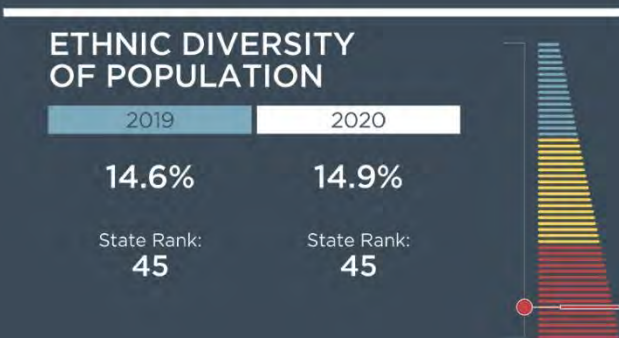
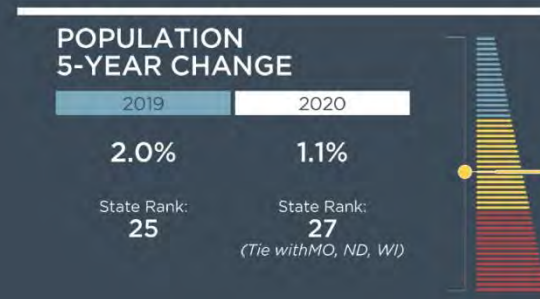
Health & Wellness

■ **IBC's Recommended Actions**

- **The IBC continues its efforts to support the Healthiest State Initiative.**
 - **The IBC supports efforts to attract and retain more primary care physicians as well as maximizing telehealth strategies to provide increased health care access across the state.**
 - **The IBC supports initiatives that provide increased access to mental health services across the state.**
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Demographics & Diversity

Iowa's population growth has consistently trailed the national average and its net migration decreased by more than 2,300 people in the past year. Growing Iowa's overall population will be critical to building the workforce pipeline and expanding state revenues.



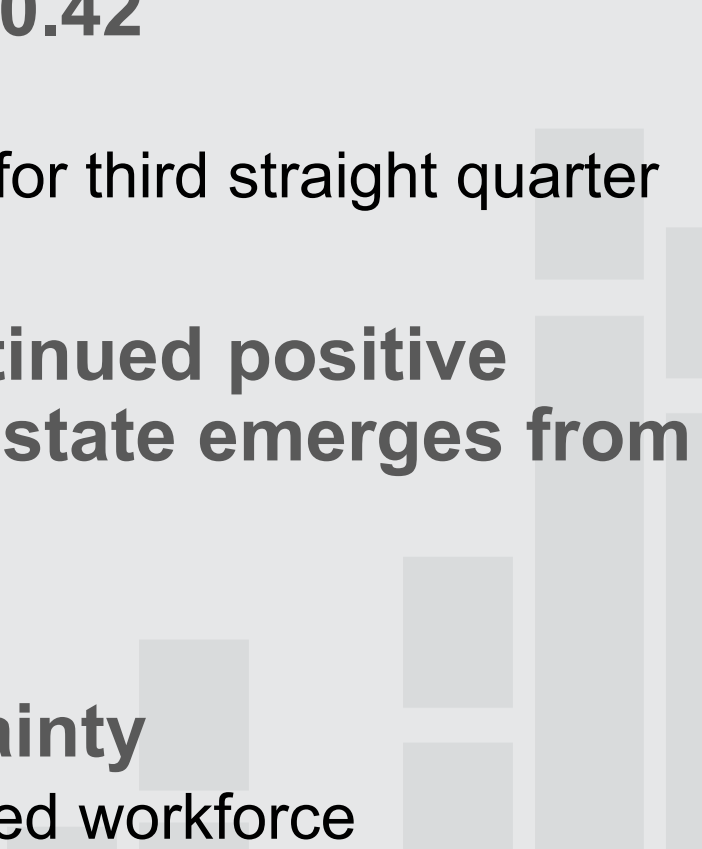
Demographics & Diversity

■ IBC's Recommended Actions

- The IBC will work with state policymakers to engage in innovative changes relating to licensing requirements, federally approved refugee resettlement opportunities, and immigration programs.
- The IBC believes a commitment to advancing diversity, equity and inclusion (DEI) is a fundamental element of corporate success and responsibility. The IBC's focus on DEI will guide decision-making as policy initiatives are proposed that impact the state's population growth and overall diversity.

Economic outlook for 2021

Economic Outlook

- **IBC Q1 survey score was 60.42**
 - Above 50 is positive outlook
 - Survey yields optimistic results for third straight quarter
 - **The finding represents continued positive economic sentiment as the state emerges from the pandemic**
 - **Concerns center on uncertainty**
 - Attracting and retaining a talented workforce
- 

Focus Going Forward

- Collaboration with business and education in shaping the future workforce
- Leading by example with work-based learning opportunities and engagement with DEI efforts
- Working with elected leaders and governmental agencies to collaborate on policy initiatives to regain consumer confidence and economic growth
- Continue to elevate generational policy issues

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