

Work-Based Learning and Programs Bill House File 2703

Last Action:
House Appropriations
Committee
April 17, 2024

An Act relating to work-based learning, including by repealing provisions related to regional industry sector partnerships and the Statewide Work-Based Learning Intermediary Network, establishing the Workforce Opportunity Fund within the Department of Workforce Development, modifying provisions related to career and technical education, student teacher requirements for students with substitute teaching or para-educator experience, and the Future Ready Iowa Skilled Workforce Last-Dollar Scholarship Program, and making appropriations.

**Fiscal Services Division
Legislative Services Agency**

NOTES ON BILLS AND AMENDMENTS (NOBA)

Available online at www.legis.iowa.gov/publications/information/appropriationBillAnalysis

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NEW PROGRAMS, SERVICES, OR ACTIVITIES

Creates the Workforce Opportunity Fund under the control of Iowa Workforce Development (IWD). Appropriates moneys in the Fund to IWD for training and infrastructure related to the growth and maintenance of the State's workforce programs. Page 5, Line 12

MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

Transfers any unexpended funds remaining in the Statewide Work-Based Learning Intermediary Network Fund to the General Fund at the close of FY 2024. Page 1, Line 35

Transfers up to \$30.0 million in unencumbered or unobligated funds from the Unemployment Compensation Reserve Fund to the Workforce Opportunity Fund on July 1, 2024. Page 6, Line 10

Transfers any remaining moneys in the Unemployment Compensation Reserve Fund to the Unemployment Compensation Trust Fund. Transfers any remaining interest earned on moneys in the Unemployment Compensation Reserve Fund to the Special Employment Security Contingency Fund. Page 6, Line 19

STUDIES AND INTENT

Requires the IWD to submit an annual report by December 31 of each year to the General Assembly and the Legislative Services Agency (LSA) regarding all expenditures from the Workforce Opportunity Fund made in the previous fiscal year. The LSA must provide a copy of the report to the co-chairpersons and ranking members of the Joint Economic Development Appropriations Subcommittee. Page 5, Line 29

Allows any unexpended moneys in the Workforce Opportunity Fund to remain available for expenditure in future fiscal years. Interest or earnings on moneys in the Fund are credited to the Fund. Page 6, Line 2

SIGNIFICANT CODE CHANGES

Repeals the regional industry sector partnerships program and the Statewide Work-Based Learning Intermediary Network. Page 1, Line 33

Provides that instructional programs under Iowa Code section [256.11\(5\)\(h\)\(1\)](#) related to career and technical education may include work-based learning. Allows instructional programs that include work-based learning to be provided when school is not in session. Page 2, Line 8

EXECUTIVE SUMMARY

WORK-BASED LEARNING AND PROGRAMS BILL

HOUSE FILE 2703

Allows a student participating in a 14-week student teaching experience to satisfy program requirements if certain conditions are met.

Page 2, Line 26

Modifies definitions related to registered apprenticeship programs as well as community colleges and the Post-Secondary Readiness Bureau. Includes definition changes required by the U.S. Department of Labor for the establishment of the Iowa Office of Apprenticeship.

Page 4, Line 13

Repeals the Workforce Opportunity Fund on July 1, 2029.

Page 6, Line 9

Removes the requirement that an eligible student submit a new application to the College Student Aid Commission to receive a renewal of a scholarship awarded under the Future Ready Iowa Skilled Workforce Last-Dollar Scholarship Program.

Page 6, Line 30

Specifies that an eligible student may receive a Last-Dollar Scholarship only if the student has an expected family contribution of less than or equal to \$20,000 as determined by the Free Application for Federal Student Aid (FAFSA).

Page 7, Line 7

Specifies that a Last-Dollar Scholarship is awarded for a period of two years or, at the time the student earns the credential sought, up to an associate degree.

Page 7, Line 12

House File 2703 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
1	4	1	Strike	84A.5.5.f
1	6	2	Amend	85.61.3.c
1	17	3	Strike	85.61.12.a.(4),(5)
1	20	4	Strike	256.125.6,9
1	22	5	Strike	256.133.2,3
1	24	6	Strike	256.136.1.e
1	26	7	Strike	256.136.4.d
1	28	8	Amend	256.136.4.f
1	33	9	Repeal	84A.15; 84A.16
2	8	11	Amend	256.11.5.h.(2)
2	28	12	Amend	256.16.1.c
4	15	13	Strike and Replace	84D.2.18,24,25
4	34	14	Amend	256.125.8
5	12	15	New	84A.20
6	30	17	Amend	256.228.1.g.(2)
7	7	18	Add	256.228.1.g.(5)
7	12	19	Amend	256.228.3.d

PG LN	GA:90 HF2703	Explanation
1 1	DIVISION I	
1 2	REGIONAL INDUSTRY SECTOR PARTNERSHIPS AND STATEWIDE WORK-BASED	
1 3	LEARNING INTERMEDIARY NETWORK	
1 4	Section 1. Section 84A.5, subsection 5, paragraph f, Code	CODE: Adopts conforming changes related to the repeal of the
1 5	2024, is amended by striking the paragraph.	Statewide Work-Based Learning Intermediary Network.
1 6	Sec. 2. Section 85.61, subsection 3, paragraph c, Code 2024,	CODE: Adopts conforming changes related to the repeal of the
1 7	is amended to read as follows:	Network.
1 8	c. An eligible postsecondary institution as defined in	
1 9	section 261E.2, a school district, or an accredited nonpublic	
1 10	school if a student enrolled in the eligible postsecondary	
1 11	institution, school district, or accredited nonpublic school	
1 12	is providing unpaid services under a work-based learning	
1 13	opportunity offered in accordance with section 84A.16.	
1 14	However, if the student participating in a work-based learning	
1 15	opportunity is participating in open enrollment under section	
1 16	282.18, "employer" means the receiving district.	
1 17	Sec. 3. Section 85.61, subsection 12, paragraph a,	CODE: Adopts conforming changes related to the repeal of the
1 18	subparagraphs (4) and (5), Code 2024, are amended by striking	Network.
1 19	the subparagraphs.	
1 20	Sec. 4. Section 256.125, subsections 6 and 9, Code 2024, are	CODE: Adopts conforming changes related to the repeal of the
1 21	amended by striking the subsections.	Network and the regional industry sector partnerships program.
1 22	Sec. 5. Section 256.133, subsections 2 and 3, Code 2024, are	CODE: Adopts conforming changes related to the repeal of the
1 23	amended by striking the subsections.	Network.
1 24	Sec. 6. Section 256.136, subsection 1, paragraph e, Code	CODE: Adopts conforming changes related to the repeal of the
1 25	2024, is amended by striking the paragraph.	Network.
1 26	Sec. 7. Section 256.136, subsection 4, paragraph d, Code	CODE: Adopts conforming changes related to the repeal of the
1 27	2024, is amended by striking the paragraph.	Network.
1 28	Sec. 8. Section 256.136, subsection 4, paragraph f, Code	CODE: Adopts conforming changes related to the repeal of the
1 29	2024, is amended to read as follows:	program.
1 30	f. Representatives of business and industry, including	
1 31	representatives of regional industry sector partnerships	

1 32 ~~established pursuant to section 84A.15.~~

1 33 Sec. 9. REPEAL. Sections 84A.15 and 84A.16, Code 2024, are
1 34 repealed.

CODE: Repeals the regional industry sector partnerships program and the Statewide Work-Based Learning Intermediary Network.

DETAIL: The regional industry sector partnerships program works to solve future industry needs and design the training and infrastructure needed to create regional workforce pipelines. The program uses part of the funding from an annual appropriation of \$5,000,000 from the Skilled Worker and Job Creation Fund (SWJCF) for the [Pathways for Academic Career and Employment \(PACE\)](#) Program.

The Network serves school districts by facilitating cooperation and collaboration between businesses and entities within the State education system and by offering work-based learning activities to students and teachers. The Network is funded by an annual appropriation of \$1,500,000 from the SWJCF.

1 35 Sec. 10. STATEWIDE WORK-BASED LEARNING INTERMEDIARY NETWORK
2 1 FUND. Any moneys appropriated to the department of workforce
2 2 development for purposes of the statewide work-based learning
2 3 intermediary network fund established pursuant to section
2 4 84A.16 that remain unencumbered or unobligated as of July 1,
2 5 2024, shall be deposited in the general fund of the state.

Transfers any unexpended funds remaining in the Statewide Work-Based Learning Intermediary Network Fund to the General Fund at the close of FY 2024.

DETAIL: As of April 1, 2024, there was \$258,303 remaining in the Statewide Work-Based Learning Intermediary Network Fund.

2 6 DIVISION II
2 7 CAREER AND TECHNICAL EDUCATION AND WORK-BASED LEARNING

2 8 Sec. 11. Section 256.11, subsection 5, paragraph h,
2 9 subparagraph (2), Code 2024, is amended to read as follows:
2 10 (2) Instructional programs provided under subparagraph
2 11 (1) shall comply with the provisions of subchapter VII, part
2 12 2, relating to career and technical education, and shall be
2 13 articulated with postsecondary programs of study and include
2 14 field, laboratory, ~~or~~ on-the-job training, or work-based
2 15 learning, as defined in section 256.125. Each sequential
2 16 unit shall contain a portion of a career and technical
2 17 education program approved by the department. Standards for
2 18 instructional programs shall include but not be limited to new
2 19 and emerging technologies; job-seeking, job-adaptability, and
2 20 other employment, self-employment and entrepreneurial skills
2 21 that reflect current industry standards and labor-market needs;

CODE: Provides that instructional programs under Iowa Code section [256.11](#)(5)(h)(1) related to career and technical education may include work-based learning. Allows instructional programs that include work-based learning to be provided when school is not in session.

2 22 and reinforcement of basic academic skills. Instructional
 2 23 programs that include work-based learning may be provided when
 2 24 school is not in session, including but not limited to during
 2 25 the summer months.

2 26 DIVISION III
 2 27 STUDENT TEACHING

2 28 Sec. 12. Section 256.16, subsection 1, paragraph c, Code
 2 29 2024, is amended to read as follows:

2 30 c. (1) Require that each student admitted to an approved
 2 31 practitioner preparation program participate in pre-student
 2 32 teaching field experiences that include both observation and
 2 33 participation in teaching activities in a variety of school
 2 34 settings. Pre-student teaching field experiences for students
 2 35 participating in an initial teacher preparation program shall
 3 1 comprise a total of at least eighty hours in duration, at least
 3 2 ten hours of which shall occur prior to a student's acceptance
 3 3 in an approved practitioner preparation program. Pre-student
 3 4 teaching field experiences for students participating in a
 3 5 teacher intern preparation program shall comprise a total of at
 3 6 least fifty hours in duration.

3 7 (2) (a) The student teaching experience shall be a minimum
 3 8 of fourteen weeks in duration during the student's final year
 3 9 of the practitioner preparation program. The program shall
 3 10 make every reasonable effort to offer the student teaching
 3 11 experience prior to a student's last semester, or equivalent,
 3 12 in the program, and to expand the student's student teaching
 3 13 opportunities beyond one semester or the equivalent.

3 14 (b) Notwithstanding subparagraph division (a), the student
 3 15 teaching experience shall be four weeks in duration during the
 3 16 student's final year of the practitioner preparation program if
 3 17 all of the following requirements are met:

3 18 (i) The student bears the primary responsibility for
 3 19 planning, instruction, and assessment within the classroom for
 3 20 a minimum of four weeks during the student teaching experience.

3 21 (ii) The board of educational examiners has issued a
 3 22 substitute license, substitute authorization, or para-educator
 3 23 certificate to the student, and the student has prior
 3 24 experience working as a substitute teacher or a para-educator,
 3 25 including prior experience under the teacher and para-educator

CODE: Specifies that a 14-week student teaching experience may be shortened to 4 weeks during a student's final year of a practitioner preparation program if the following conditions are met:

- The student bears the primary responsibility for planning, instruction, and assessment within the classroom for a minimum of four weeks during the student teaching experience.
- The Board of Educational Examiners (BOEE) has issued a substitute license, substitute authorization, or para-educator certificate to the student, and the student has prior experience working as a substitute teacher or a para-educator.
- The student teaching experience takes place in the classroom of a cooperating teacher who is appropriately licensed in the

3 26 registered apprenticeship grant program.
 3 27 (iii) The student teaching experience takes place in
 3 28 the classroom of a cooperating teacher who is appropriately
 3 29 licensed in the subject area and grade level endorsement for
 3 30 which the student is being prepared.

subject area and grade level endorsement for which the student is being prepared.

3 31 (c) A student may satisfy requirements related to
 3 32 the student teaching experience if all of the following
 3 33 requirements are met:

CODE: Specifies that a student may satisfy the requirements related to student teaching experience if the following conditions are met:

3 34 (i) The student teaching experience takes place in the
 3 35 classroom of a cooperating teacher who is appropriately
 4 1 licensed in the subject area and grade level endorsement for
 4 2 which the student is being prepared, and lasts for at least
 4 3 one-half of each school day.
 4 4 (ii) Under the supervision of the cooperating teacher, and
 4 5 for at least one-half of each school day, the student bears
 4 6 the primary responsibility for planning, instruction, and
 4 7 assessment within the classroom for a minimum of four weeks
 4 8 during the student teaching experience.
 4 9 (iii) The board of educational examiners has issued a
 4 10 para-educator certificate to the student, and the student works
 4 11 as a para-educator for at least one-half of each school day
 4 12 during the fourteen-week student teaching experience.

- The student teaching experience takes place in the classroom of a cooperating teacher who is appropriately licensed in the subject area and grade level endorsement for which the student is being prepared, and the experience lasts for at least one-half of each school day.
- Under the supervision of the cooperating teacher, and for at least one-half of each school day, the student bears the primary responsibility for planning, instruction, and assessment within the classroom for a minimum of four weeks during the student teaching experience.
- The BOEE has issued a para-educator certificate to the student, and the student works as a para-educator for at least one-half of each school day during the 14-week student teaching experience.

4 13 DIVISION IV
 4 14 CHANGES TO DEFINED TERMS

4 15 Sec. 13. Section 84D.2, subsections 18, 24, and 25, Code
 4 16 2024, are amended by striking the subsections and inserting in
 4 17 lieu thereof the following:

CODE: Modifies the definitions of "quality pre-apprenticeship program," "work-based learning," and "youth apprenticeship" as they relate to registered apprenticeship programs. Includes definition changes required by the U.S. Department of Labor for the establishment of the Iowa Office of Apprenticeship.

4 18 18. "Quality pre-apprenticeship program" means a program
 4 19 or set of strategies, registered by and for purposes of the
 4 20 Iowa office of apprenticeship, including basic skills training,
 4 21 academic skills remediation, or introduction to the industry,
 4 22 designed to prepare individuals for entry into a registered
 4 23 apprenticeship program.

4 24 24. "Work-based learning" means opportunities and
 4 25 experiences that include but are not limited to sustained
 4 26 project-based learning in partnership with an employer,
 4 27 simulated work experiences aligned with industry-recognized
 4 28 credentials, high-quality pre-apprenticeships aligned to an
 4 29 apprenticeship, student learner programs, internships, and

4 30 apprenticeships.
 4 31 25. "Youth apprenticeship", for purposes of the Iowa
 4 32 office of apprenticeship, means a program that is designed
 4 33 specifically for an apprentice eighteen years of age or under.

4 34 Sec. 14. Section 256.125, subsection 8, Code 2024, is
 4 35 amended to read as follows:

5 1 8. "Work-based learning" means opportunities and
 5 2 experiences that include but are not limited to ~~tours~~;
 5 3 ~~job shadowing, rotations, mentoring, entrepreneurship,~~
 5 4 ~~service learning, sustained project-based learning in~~
 5 5 ~~partnership with an employer, simulated work experiences~~
 5 6 ~~aligned with industry-recognized credentials, high-quality~~
 5 7 ~~pre-apprenticeships aligned to an apprenticeship, student~~
 5 8 ~~learner programs, internships, and apprenticeships.~~

CODE: Modifies the definition of "work-based learning" as it relates to community colleges and the Post-Secondary Readiness Bureau.

5 9 DIVISION V
 5 10 DEPARTMENT OF WORKFORCE DEVELOPMENT — WORKFORCE
 5 11 OPPORTUNITY

5 12 Sec. 15. NEW SECTION 84A.20 WORKFORCE OPPORTUNITY FUND.

5 13 1. A workforce opportunity fund is created in the
 5 14 state treasury as a separate fund under the control of
 5 15 the department of workforce development. The fund shall
 5 16 consist of appropriations made to the fund, any other moneys
 5 17 available to and obtained or accepted by the department from
 5 18 the federal government or private sources for placement in
 5 19 the fund, and transfers of interest, earnings, and moneys
 5 20 from other funds as provided by law. Moneys in the fund are
 5 21 appropriated to the department of workforce development for
 5 22 the purposes of training and infrastructure related to the
 5 23 growth and maintenance of the state's workforce programs.
 5 24 Permitted uses of the moneys in the fund include but are not
 5 25 limited to equipment, instructional materials, stipends, and
 5 26 other training-related costs. The department of workforce
 5 27 development shall only distribute moneys in the fund to
 5 28 workforce programs located within this state.

CODE: Creates the Workforce Opportunity Fund under the control of Iowa Workforce Development (IWD). Appropriates moneys in the Fund to IWD for training and infrastructure related to the growth and maintenance of the State's workforce programs. This includes equipment, instructional materials, stipends, and other training-related costs.

5 29 2. Annually, on or before December 31 of each year, the
 5 30 department of workforce development shall submit a report
 5 31 to the general assembly and the legislative services agency

CODE: Requires the IWD to submit an annual report by December 31 of each year to the General Assembly and the Legislative Services Agency (LSA) regarding all expenditures from the Fund made in the

5 32 that contains a list of all expenditures from the workforce
 5 33 opportunity fund made in the previous fiscal year. The
 5 34 legislative services agency shall provide a copy of the
 5 35 report to the co-chairpersons and ranking members of the joint
 6 1 appropriations subcommittee on economic development.

previous fiscal year. The LSA must provide a copy of the report to the co-chairpersons and ranking members of the Joint Economic Development Appropriations Subcommittee.

6 2 3. Notwithstanding section 8.33, moneys in the workforce
 6 3 opportunity fund that remain unencumbered or unobligated
 6 4 at the close of the fiscal year shall not revert but shall
 6 5 remain available for expenditure for the purposes designated
 6 6 for subsequent fiscal years. Notwithstanding section 12C.7,
 6 7 subsection 2, interest or earnings on moneys in the fund shall
 6 8 be credited to the fund.

CODE: Allows any unexpended moneys in the Fund to remain available for expenditure in future fiscal years. Interest or earnings on moneys in the Fund are credited to the Fund.

6 9 4. This section is repealed July 1, 2029.

CODE: Specifies that the Workforce Opportunity Fund is repealed on July 1, 2029.

6 10 Sec. 16. UNEMPLOYMENT COMPENSATION RESERVE FUND — TRANSFER
 6 11 TO WORKFORCE OPPORTUNITY FUND.

Transfers up to \$30,000,000 in unencumbered or unobligated funds from the Unemployment Compensation Reserve Fund to the Workforce Opportunity Fund on July 1, 2024.

6 12 1. Any moneys appropriated to the department of workforce
 6 13 development for purposes of the unemployment compensation
 6 14 reserve fund established pursuant to section 96.9 that
 6 15 remain unencumbered or unobligated as of July 1, 2024, but
 6 16 not more than thirty million dollars, shall be deposited in
 6 17 the workforce opportunity fund created in section 84A.20, if
 6 18 enacted by this division of this Act.

DETAIL: It is estimated that the full \$30,000,000 will be appropriated to the Workforce Opportunity Fund. As of April 1, 2024, the balance of the Unemployment Compensation Reserve Fund, all of which is currently unencumbered or unobligated, was \$157,672,618.

6 19 2. Any moneys remaining in the unemployment compensation
 6 20 reserve fund after the deposit described in subsection 1 shall
 6 21 be transferred to the account of this state in the unemployment
 6 22 trust fund; provided, however, that any interest earned on
 6 23 moneys remaining in the unemployment compensation reserve
 6 24 fund after the deposit described in subsection 1 shall be
 6 25 transferred to the special employment security contingency
 6 26 fund.

Transfers any remaining moneys in the Unemployment Compensation Reserve Fund to the Unemployment Compensation Trust Fund. Transfers any remaining interest earned on moneys in the Reserve Fund to the [Special Employment Security Contingency Fund](#).

DETAIL: It is estimated that approximately \$118,300,000 will be transferred from the Unemployment Compensation Reserve Fund to the Unemployment Compensation Trust Fund. It is estimated that approximately \$10,600,000 will be transferred from the interest earned on the Unemployment Compensation Reserve Fund to the Special Employment Security Contingency Fund.

6 27 DIVISION VI
 6 28 FUTURE READY IOWA SKILLED WORKFORCE LAST-DOLLAR SCHOLARSHIP
 6 29 PROGRAM

6 30 Sec. 17. Section 256.228, subsection 1, paragraph g,
6 31 subparagraph (2), Code 2024, is amended to read as follows:
6 32 (2) Completes and submits application forms required by the
6 33 commission, including the free application for federal student
6 34 aid; applies for all available state and federal financial
6 35 aid; attends orientation in person or virtually; registers
7 1 for classes with the assistance of an academic advisor;
7 2 and participates in academic and career advising sessions
7 3 required under the eligible program. ~~To receive a renewal of
7 4 a scholarship awarded under this section, an eligible student
7 5 must annually submit a new application to the commission for
7 6 reevaluation of eligibility.~~

CODE: Removes the requirement that an eligible student submit a new application to the College Student Aid Commission to receive a renewal of a scholarship awarded under the Future Ready Iowa Skilled Workforce Last-Dollar Scholarship Program.

7 7 Sec. 18. Section 256.228, subsection 1, paragraph g, Code
7 8 2024, is amended by adding the following new subparagraph:
7 9 NEW SUBPARAGRAPH (5) Has an expected family contribution
7 10 of less than or equal to twenty thousand dollars, as determined
7 11 by the free application for federal student aid.

CODE: Specifies that an eligible student may receive a Last-Dollar Scholarship only if the student has an expected family contribution of less than or equal to \$20,000 as determined by the Free Application for Federal Student Aid (FAFSA).

7 12 Sec. 19. Section 256.228, subsection 3, paragraph d, Code
7 13 2024, is amended to read as follows:
7 14 d. A future ready Iowa skilled workforce last-dollar
7 15 scholarship shall be awarded ~~on an annual basis, requiring
7 16 reapplication by an eligible student each year for a two-year
7 17 period, or at the time the student earns the credential sought,
7 18 up to an associate degree.~~ Scholarship payments shall be
7 19 allocated equally among the semesters, or the equivalent, and
7 20 paid upon certification by the eligible institution that the
7 21 student meets the requirements of subsection 1, paragraph "g".

CODE: Specifies that a Last-Dollar Scholarship is awarded for a period of two years or, at the time the student earns the credential sought, up to an associate degree.