

**CHAPTER 167****SCHOOL-TO-CAREER PROGRAM — MISCELLANEOUS CHANGES***H.F. 695*

**AN ACT** relating to the school-to-career program.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 15.362, Code 2001, is amended by adding the following new subsection:

**NEW SUBSECTION.** 1A. "Employer" means an employer or a consortium of two or more employers.

Sec. 2. Section 15.364, subsection 6, Code 2001, is amended to read as follows:

6. That in addition to the base wage paid to the participant, the employer shall pay an additional sum to be held in trust to be applied toward the participant's postsecondary education required for completion of the certified program. The additional amount must be not less than an amount determined by the department of economic development to be sufficient to provide payment of tuition expenses toward completion of not more than two academic years of the required postsecondary education component of the certified program at an Iowa community college or an Iowa public or private college or university. This amount shall be held in trust for the benefit of the participant pursuant to rules adopted by the department of economic development. Payment into an ERISA-approved fund for the benefit of the participant shall satisfy this requirement. The specific fund shall be specified in the agreement. An employer that is a consortium of two or more employers shall not be subject to the requirements of this subsection if tuition is included as part of a stipend paid by the employer to a participant and can be identified as such.

Sec. 3. Section 15.364, subsections 7 and 8, Code 2001, are amended by striking the subsections.

Sec. 4. Section 15.365, subsection 1, Code 2001, is amended to read as follows:

1. An employer who employs a participant in a certified school-to-career program may claim a refund of twenty percent of the employer's payroll expenditures for each participant in the certified program or twenty percent of the employer's expenditures for participant experience expenses provided for in the certified program agreement which may include instructor expenses, instructional materials, up to one hundred fifty thousand dollars of training facility costs per program, and project coordination. The refund is limited to the first four hundred hours of payroll or participant experience expenditures per participant for each calendar year the participant is in the certified program, not to exceed three years per participant.

Approved May 31, 2001