

Economic Development Appropriations Act Senate File 517

Last Action:

Final Action

June 27, 2011

An Act relating to and making appropriations to the department of cultural affairs, the department of economic development, certain board of regents institutions, the department of workforce development, the Iowa finance authority, and the public employment relations board, and addressing related matters including tax credits and including immediate effective date and retroactive applicability provisions.

**Fiscal Services Division
Legislative Services Agency**

NOTES ON BILLS AND AMENDMENTS (NOBA)

Available at <http://www.legis.iowa.gov/LSAReports/noba.aspx>

LSA Contacts: Ron Robinson (515-281-6256) Kenneth Ohms (515-725-2200)

FUNDING SUMMARY

- **FY 2012:** Senate File 517 appropriates a total \$36.2 million from the General Fund and authorizes 551.2 FTE positions to the Department of Cultural Affairs (DCA), the Department of Economic Development (DED), Board of Regents economic development programs, the Iowa Department of Workforce Development (IWD), Iowa Finance Authority (IFA), and the Public Employment Relations Board for FY 2012. This is a decrease of \$1.9 million and 14.8 FTE positions compared to estimated net FY 2011. This Act also appropriates a total of \$12.7 million from other funds, a decrease of \$4.3 million compared to estimated net FY 2011. Page 1, Line 1

- **FY 2013:** Senate File 517 appropriates a total \$18.1 million from the General Fund and authorizes 551.2 FTE positions to the DCA, the DED, Board of Regents economic development programs, the IWD, IFA, and the Public Employment Relations Board for FY 2013. This Act also appropriates a total of \$3.8 million from other funds. Page 24, Line 20

MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS

- **Department of Cultural Affairs:** Appropriates \$5.0 million and 74.5 FTE positions from the General Fund to the DCA. This is a decrease of \$387,000 and an increase of 7.8 FTE positions compared to estimated net FY 2011. The significant changes include:
 - A decrease of \$101,000 for Community Cultural Grants.
 - A decrease of \$177,000 for the Historical Division.
 - A new appropriation of \$60,000 for Battle Flag Restoration (previously funded through the Rebuild Iowa Infrastructure Fund).Page 1, Line 3

- **Department of Economic Development:** Appropriates \$10.5 million and 162.3 FTE positions from the General Fund to the DED. This is a decrease of \$1.4 million and an increase of 22.3 FTE positions compared to estimated net FY 2011. There is a total of \$4.0 million appropriated in other funds, a decrease of \$5.4 million, due to one-time expenditures for FY 2011. The significant General Fund changes include:
 - A decrease of \$1.1 million for the three divisions of the DED.
 - A decrease of \$150,000 to the World Food Prize.
 - A decrease of \$166,000 to eliminate the State Main Street Challenges Grants.Page 4, Line 12

- **Board of Regents:** Appropriates \$3.2 million and 69.4 FTE positions from the General Fund to the economic development programs at Iowa State University (ISU), the University of Iowa (SUI), and the University of Northern Iowa (UNI). This is a decrease of \$201,000 compared to estimated net FY 2011. The significant change was a general decrease of \$152,000 for ISU. Page 8, Line 25

- **Iowa Department of Workforce Development:** Appropriates \$15.9 million and 235.1 FTE positions from the General Fund to the IWD for FY 2012. This is a decrease of \$823,000 and 42.9 FTE positions compared to estimated net FY 2011. The IWD also receives appropriations totaling \$8.7 million from other funds, an increase of \$1.1 million. Significant changes include:
 - An increase of \$356,000 for the Labor Services Division.
 - An increase of \$537,000 for the Workers' Compensation Division.
 - A decrease of \$1.7 million for Field Offices Operations.
 - A decrease of \$13,000 to eliminate the Security Employee Training Program appropriation.
 - A decrease of \$471,000 from the Special Contingency Fund (Penalty and Interest - also known as the P & I Fund) for the Workers' Compensation Division to eliminate the funding.
 - An increase of \$555,000 from the Special Contingency Fund (P & I) for Workforce Development Field Offices.
 - A decrease of \$2.3 million in authorized expenditures from the Unemployment Insurance Reserve Fund interest that is used for Field Offices.
 - An increase of \$3.3 million from the Save Our Small Businesses Fund for Workforce Development Field Offices.
 - A decrease of 44.2 FTE positions for Workforce Development Field Offices.
- **Iowa Finance Authority:** Appropriates \$658,000 from the General Fund to the IFA for the Rent Subsidy Program. This is a new General Fund appropriation. Page 15, Line 3
- **Public Employment Relations Board:** Appropriates \$1.1 million and 10.0 FTE positions from the General Fund to the Public Employment Relations Board. This is an increase of \$200,000 and a decrease of 2.0 FTE position compared to estimated net FY 2011. Page 15, Line 22

STUDIES AND INTENT LANGUAGE

- **Nonreversion:** Requires nonreversion of funds appropriated to the DED. Page 5, Line 8
- **Legislative Intent:** Requires a business creating jobs with economic development assistance from the appropriation to the DED to be subject to contract provisions stating that new and retained jobs must be filled by individuals that are citizens of the United States, reside in the United States, or are authorized to work in the United States pursuant to federal law, including legal resident aliens in the United States. Requires any vendor that receives public funds from the DED through the appropriation to adhere to these contract provisions and provide periodic assurances of compliance. Specifies businesses receiving financial assistance from the DED, from funds appropriated in this Act, are to employ only individuals legally Page 5, Line 14

authorized to work in the State. Permits the DED to recapture all or a portion of any financial assistance provided to a business that is found to have knowingly employed individuals not legally authorized to work in the State.

- **Legislative Intent:** Permits the DED to provide grants to community economic development entities for local workforce recruitment efforts designed to recruit former citizens of the State and former students at State colleges and universities to meet the needs of local employers. Page 6, Line 3
- **Legislative Intent:** Permits the DED to provided financial assistance to early stage industry companies being established by women entrepreneurs. Page 6, Line 9
- **Legislative Intent:** Permits the DED to provide financial assistance for advanced research and commercialization projects involving value-added agriculture, advanced technology, or biotechnology. Page 6, Line 12
- **Legislative Intent:** Prohibits the DED from providing any financial assistance to projects that involve the installation of geothermal systems for melting snow and ice from streets or sidewalks. Page 6, Line 17
- **Nonreversion:** Requires nonreversion of funds appropriated to the Iowa Commission on Volunteer Service. Page 7, Line 3
- **Required Reports:** Requires the DED to submit a report by January 1, 2012 to the General Assembly on all expenditures made associated with green initiatives. Page 8, Line 15
- **Legislative Intent:** Specifies it is the intent of the General Assembly that the Industrial Incentive Program at ISU focus on Iowa industrial sectors and seek private sector donations. Requires matching funds for participation in the Institute for Physical Research and Technology Incentive Program. The match is \$1.00 for each \$3.00 of State funds for small businesses or \$1.00 for each \$1.00 of State funds for larger businesses, industrial foundations, or trade organizations. Page 9, Line 14
- **Required Reports:** Requires ISU to report annually the total amount of private contributions to the Industrial Incentive Program, the proportion from small businesses and other businesses, and the proportion for directed and nondirected research. Page 9, Line 29
- **Nonreversion:** Requires nonreversion of funds appropriated to ISU. Page 10, Line 1
- **Nonreversion:** Requires nonreversion of funds appropriated to the SUI. Page 10, Line 24
- **Nonreversion:** Requires nonreversion of funds appropriated to the UNI. Page 11, Line 15

EXECUTIVE SUMMARY

SENATE FILE 517

ECONOMIC DEVELOPMENT APPROPRIATIONS ACT

- **Required Reports:** Requires the Board of Regents to submit a report to the General Assembly and the Legislative Services Agency (LSA) by January 15, 2012, regarding the progress of the Regents institutions in meeting the Strategic Plan for Technology Transfer and Economic Development. Page 11, Line 20
- **Legislative Intent:** Specifies that the IWD shall not reduce the number of Field Offices below the number of offices operated on January 1, 2009. *This item was vetoed by the Governor for FY 2012 and FY 2013.* Page 12, Line 31
- **Definitions:** Provides definitions for Field Offices and Workforce Development Centers. Page 13, Line 10
- **Nonreversion:** Requires nonreversion of specified General Fund appropriations to the IWD. Page 13, Line 25
- **Required Reports:** Requires the Auditor of State to annually conduct an audit, including the accountability of the IWD programs, and submit results to the Economic Development Appropriations Subcommittee. Requires the IWD to pay for the cost of the audit. Page 13, Line 30
- **Legislative Intent:** Prohibits the IWD from using any appropriated funds for support of the National Career Readiness Certificate Program. Page 14, Line 34
- **Legislative Intent:** Permits the expenditure of funds from the Unemployment Compensation Reserve Trust Fund. Page 16, Line 2
- **Legislative Intent:** Requires the Directors of the IFA and the DED to present a proposed budget before the Joint Subcommittee on Economic Development Appropriations. Page 16, Line 11
- **Acts Amended:** Extends the time IWD has to set a goal of having at least one certified one-stop center in each of the 15 workforce regions from the year 2012 to the year 2014. Page 18, Line 31
- **Acts Amended:** Requires nonreversion of funds and the FTE position appropriated for FY 2011 for Site Development Consultations until the end of FY 2012. Page 19, Line 2
- **Acts Amended:** Requires nonreversion of funds appropriated for FY 2011 for the creation of a Taiwan Trade Office until the end of FY 2012. Page 19, Line 12

SIGNIFICANT CODE CHANGES

- **Save Our Small Businesses Fund:** Transfers and appropriates unobligated money in the Save Our Small Page 16, Line 24

Businesses Fund to the IWD for Field Offices. *This item was vetoed by the Governor.*

- **Wine and Grape Gallonage Tax Fund:** Eliminates the \$100,000 allocation from the DED Wine and Beer Promotion Board to the Midwest Grape and Wine Industry Institute at ISU. Page 16, Line 32
- **Shelter Assistance Fund:** Permits the IFA to use money in the Shelter Assistance Fund for service evaluation and federal match for the Homeless Management Information System. Also allows up to 2.0% of the total amount of grants awarded through the Shelter Assistance Fund to be used for administrative costs. Page 16, Line 34
- **Wine and Grape Gallonage Tax Fund:** Creates a standing appropriation of \$120,000 from the Wine Gallonage Tax Fund to the Midwest Grape and Wine Industry Institute at ISU. Page 17, Line 13
- **State Historic Tax Credit:** Modifies the Program definition of the “Rehabilitation Period”, established in 2011 Iowa Acts, SF 521 (Property Rehabilitation Tax Credit Program), to remove a reference to the Federal Program. Page 17, Line 29
- **Low-income Housing:** Modifies the definition of Low-income Housing, provided in Code Section 427.1(21), to include properties that are owned by limited liability corporations or limited liability partnerships, and are controlled or managed by a nonprofit entity. Page 18, Line 8
- **Tax Credits:** Moves the Businesses and Community-Based Seed Capital Funds Tax Credit under the DED tax credit cap. Creates an Innovation Fund Investment Tax Credit under the DED tax credit cap. Page 20, Line 14

EFFECTIVE AND ENACTMENT DATES

• ***Governor's Vetoes***

- The Governor vetoed Sections 15.3(c) and 61.3(c) requiring the Department of Workforce Development (IWD) to maintain the same number of Field Offices for FY 2012 and FY 2013 that were in operation on January 1, 2009. The Governor stated the language would prohibit the IWD from putting forth an enhanced delivery system. (Page 12, Line 31 and Page 35, Line 11)

The Governor vetoed Sections 15.5 and 61.5 specifying the definitions of “Field Office” and “Workforce Development Center” for FY 2012 and FY 2013. The Governor stated the definitions would prevent growth and progress in serving Iowans. (Page 13, Line 10 and Page 35, Line 25)

The Governor vetoed Sections 20 and 66 prohibiting IWD from using the National Career Readiness

Certificate Program in FY 2012 and FY 2013. The Governor stated he could not agree to deny the IWD the potential use of this Program. (Page 14, Line 34 and Page 37, Line 14)

The Governor vetoed Section 26 transferring and appropriating \$3.3 million unobligated funds in the Save Our Small Business Fund to the IWD to be used for Field Offices in FY 2012. The Governor stated this one-time funding source does not create a sustainable operating environment and instead moves the funding problem into the future. (Page 16, Line 24)

• ***Effective Date***

- The Section regarding the Save Our Small Business Fund is effective on enactment and retroactive to March 30, 2011. Page 20, Line 1
- The Section amending the State Historic Tax Credit Program is effective on enactment and retroactive to July 1, 2009. Page 20, Line 4
- The Sections regarding the Site Development Consultation Program and the Taiwan Trade Office are effective on enactment and retroactive to June 30, 2011. Page 20, Line 9
- The Division regarding tax credits is effective on enactment and retroactive to January 1, 2011. Page 24, Line 17

• ***Enactment Date***

- This Act was approved by the General Assembly on June 27, 2011, and item vetoed and signed by the Governor on July 27, 2011. Page 38, Line 29

Senate File 517 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
12	41	26	Amend	15.301.1.c.(1)	
13	6	27	Strike	15E.117.3.b	
13	8	28	Amend	16.41.1	
13	22	29	Strike and Replace	123.183.2.b	
13	38	30	Amend	404A.1.2.d	
14	9	31	Amend	427.1.21	
16	1	36	Amend	15.119.2	
16	27	37	Amend	15E.42.2	
16	31	38	Strike and Replace	15E.43.4	
16	37	39	Amend	15E.44.2.d,e	
17	2	40	New	15E.52	
18	27	41	New	422.11Y	
18	32	42	Add	422.33.13	
18	37	43	Add	422.60.13	
18	42	44	New	432.12M	
19	4	45	Add	533.329.2.1	

1 1 DIVISION I
 1 2 FY 2011-2012
 1 3 Section 1. DEPARTMENT OF CULTURAL AFFAIRS. There is
 1 4 appropriated from the general fund of the state to the
 1 5 department of cultural affairs for the fiscal year beginning
 1 6 July 1, 2011, and ending June 30, 2012, the following amounts,
 2 1 or so much thereof as is necessary, to be used for the purposes
 2 2 designated:

2 3 1. ADMINISTRATION
 2 4 For salaries, support, maintenance, miscellaneous purposes,
 2 5 and for not more than the following full-time equivalent
 2 6 positions for the department:
 2 7 \$ 171,813
 2 8 FTEs 74.50

General Fund appropriation to the Department of Cultural Affairs (DCA) for the Administration Division.

DETAIL: This is a decrease of \$21,605 and an increase of 7.83 FTE positions compared to estimated net FY 2011. The changes include:

- A decrease of \$21,605 due to a general decrease.
- An increase of 7.83 FTE positions to adjust the FTE positions to the authorized FY 2011 amount.

2 9 The department of cultural affairs shall coordinate
 2 10 activities with the tourism office of the department of
 2 11 economic development to promote attendance at the state
 2 12 historical building and at this state's historic sites.
 2 13 Full-time equivalent positions authorized under this
 2 14 subsection shall be funded, in full or in part, using moneys
 2 15 appropriated under this subsection and subsections 3 through 7.

Requires the DCA to coordinate with the Department of Economic Development (DED) to promote attendance at the State Historical Building and the Historic Sites.

2 16 2. COMMUNITY CULTURAL GRANTS
 2 17 For planning and programming for the community cultural
 2 18 grants program established under section 303.3:
 2 19 \$ 172,090

General Fund appropriation to the DCA for the Community Cultural Grants Program.

DETAIL: This is a general decrease of \$101,410 compared to estimated net FY 2011.

2 20 3. HISTORICAL DIVISION
 2 21 For the support of the historical division:
 2 22 \$ 2,767,701

General Fund appropriation to the DCA for the Historical Division.

DETAIL: This is a general decrease of \$176,662 compared to estimated net FY 2011.

2 23 4. HISTORIC SITES
 2 24 For the administration and support of historic sites:
 2 25 \$ 426,398

General Fund appropriation to the DCA for Historic Sites.

DETAIL: This is a general decrease of \$27,217 compared to estimated net FY 2011.

2 26 5. ARTS DIVISION
 2 27 For the support of the arts division:

General Fund appropriation to the DCA for the Arts Division.

2 28 \$ 933,764

DETAIL: This is a general decrease of \$59,602 compared to estimated FY 2011.

2 29 6. IOWA GREAT PLACES

General Fund appropriation to the Great Places Initiative of the DCA.

2 30 For the Iowa great places program established under section
2 31 303.3C:

DETAIL: This is a general decrease of \$56,195 compared to estimated net FY 2011.

2 32 \$ 150,000

2 33 7. ARCHIVE IOWA GOVERNORS' RECORDS

General Fund appropriation to the DCA for archiving papers of former governors.

2 34 For archiving the records of Iowa governors:

DETAIL: This is a general decrease of \$4,209 compared to estimated net FY 2011.

2 35 \$ 65,933

3 1 8. RECORDS CENTER RENT

General Fund appropriation to the DCA for rent of the Records Center.

3 2 For payment of rent for the state records center:

DETAIL: This is no change compared to estimated net FY 2011.

3 3 \$ 227,243

3 4 9. BATTLE FLAGS

General Fund appropriation to the DCA for stabilizing the condition of the Battle Flag Collection.

3 5 For continuation of the project recommended by the Iowa
3 6 battle flag advisory committee to stabilize the condition of
3 7 the battle flag collection:

DETAIL: This is a new General Fund appropriation for FY 2012. The DCA received an FY 2011 appropriation of \$60,000 from the Rebuild Iowa Infrastructure Fund (RIIF) appropriation for the Battle Flag Collection.

3 8 \$ 60,000

3 9 Sec. 2. GOALS AND ACCOUNTABILITY — ECONOMIC DEVELOPMENT.

Requires the goals for the DED to include:

3 10 1. For the fiscal year beginning July 1, 2011, the goals for
3 11 the department of economic development shall be to expand and
3 12 stimulate the state economy, increase the wealth of Iowans, and
3 13 increase the population of the state.

- Expand and stimulate the State economy.
- Increase the wealth of Iowans.
- Increase the population of Iowa.

3 14 2. To achieve the goals in subsection 1, the department
3 15 of economic development shall do all of the following for the
3 16 fiscal year beginning July 1, 2011:

To achieve the goals, the DED is to:

3 17 a. Concentrate its efforts on programs and activities that
3 18 result in commercially viable products and services.

- Concentrate efforts on programs and activities that result in commercially viable products and services.
- Adopt practices consistent with free-market, private-sector philosophies.
- Ensure Statewide economic growth and development.
- Work with businesses and communities to improve the economic development climate, the economic well-being, and the quality of life for Iowans.
- Coordinate with other State agencies to ensure State departments are attentive to the needs of an entrepreneurial culture.
- Establish a strong and aggressive marketing image to showcase Iowa's workforce, existing industry, and potential.
- Requires priority to be placed on recruiting new businesses,

3 19 b. Adopt practices and services consistent with free
3 20 market, private sector philosophies.

3 21 c. Ensure economic growth and development throughout the
3 22 state.

3 23 d. Work with businesses and communities to continually
3 24 improve the economic development climate along with the
3 25 economic well-being and quality of life for Iowans.

3 26 e. Coordinate with other state agencies to ensure that they
3 27 are attentive to the needs of an entrepreneurial culture.

3 28 f. Establish a strong and aggressive marketing image to

3 29 showcase Iowa's workforce, existing industry, and potential.
 3 30 A priority shall be placed on recruiting new businesses,
 3 31 business expansion, and retaining existing Iowa businesses.
 3 32 Emphasis shall be placed on entrepreneurial development through
 3 33 helping entrepreneurs secure capital, and developing networks
 3 34 and a business climate conducive to entrepreneurs and small
 3 35 businesses.

4 1 g. Encourage the development of communities and quality of
 4 2 life to foster economic growth.

4 3 h. Prepare communities for future growth and development
 4 4 through development, expansion, and modernization of
 4 5 infrastructure.

4 6 i. Develop public-private partnerships with Iowa businesses
 4 7 in the tourism industry, Iowa tour groups, Iowa tourism
 4 8 organizations, and political subdivisions in this state to
 4 9 assist in the development of advertising efforts.

4 10 j. Develop, to the fullest extent possible, cooperative
 4 11 efforts for advertising with contributions from other sources.

- business expansion, and retaining existing Iowa businesses.
- Requires emphasis to be placed on entrepreneurial development through helping entrepreneurs secure capital, and developing networks and a business climate conducive to entrepreneurs and small businesses.
- Encourage the development of communities and quality of life to foster economic growth.
- Prepare communities for future growth and development through development, expansion, and modernization of infrastructure.
- Develop public-private partnerships with Iowa businesses in the tourism industry, Iowa tour groups, Iowa tourism organizations, and political subdivisions in Iowa to assist in the development of advertising effort.
- Develop, to the fullest extent possible, cooperative efforts for advertising with contributions from other sources.

NOTE: The Department of Economic Development is being replaced with the Economic Development Authority in accordance with H.F. 590 (Iowa Partnership for Economic Progress Act) that was signed by the Governor on July 18, 2011. For purposes of this NOBA to reflect the language in this Act, the Department will continue to be referred to as the Department of Economic Development.

4 12 Sec. 3. DEPARTMENT OF ECONOMIC DEVELOPMENT.

4 13 1. APPROPRIATION

4 14 There is appropriated from the general fund of the state
 4 15 to the department of economic development for the fiscal year
 4 16 beginning July 1, 2011, and ending June 30, 2012, the following
 4 17 amounts, or so much thereof as is necessary, to be used for the
 4 18 purposes designated in subsection 2, and for not more than the
 4 19 following full-time equivalent positions:

4 20	\$	9,783,424
4 21	FTEs	149.00

General Fund Appropriation to the DED.

DETAIL: This is an increase of \$8,114,405 and 129.80 FTE positions compared to estimated net FY 2011. The changes include:

- An increase of \$4,779,918 and 44.85 FTE positions to consolidate the appropriation for Business Development with this appropriation.
- An increase of \$4,478,966 and 63.65 FTE positions to consolidate the appropriation for Community Development with this appropriation.
- A decrease of \$75,000 to consolidate the appropriation for the Iowa State Commission on Volunteer Service into the Iowa's Promise and Mentoring Partnership line-item.
- A decrease of \$1,069,479 due to a general reduction.
- An increase of 21.30 FTE positions to restore the authorized FTE positions to the FY 2011 authorized amount.

4 22 2. DESIGNATED PURPOSES

4 23 a. For salaries, support, miscellaneous purposes, programs,
 4 24 and the maintenance of an administration division, a business
 4 25 development division, and a community development division.

4 26 b. The full-time equivalent positions authorized under this

Specifies the designated purpose for appropriated funds. The authorized FTE positions are to be funded with appropriations for the following, federal monies, or other funds received by the Department:

- Economic Development Administration

4 27 section shall be funded, in whole or in part, by the moneys
4 28 appropriated under subsection 1 or by other moneys received by
4 29 the department, including certain federal moneys.

4 30 c. For business development operations and programs, the
4 31 film office, international trade, export assistance, workforce
4 32 recruitment, and the partner state program.

4 33 d. For transfer to the strategic investment fund created in
4 34 section 15.313.

4 35 e. For community economic development programs, tourism
5 1 operations, community assistance, plans for lowa green corps
5 2 and summer youth programs, the mainstreet and rural mainstreet
5 3 programs, the school-to-career program, the community
5 4 development block grant, and housing and shelter-related
5 5 programs.

5 6 f. For achieving the goals and accountability, and
5 7 fulfilling the requirements and duties required under this Act.

5 8 3. NONREVERSION

5 9 Notwithstanding section 8.33, moneys appropriated in
5 10 subsection 1 that remain unencumbered or unobligated at the
5 11 close of the fiscal year shall not revert but shall remain
5 12 available for expenditure for the purposes designated in
5 13 subsection 2 until the close of the succeeding fiscal year.

5 14 4. FINANCIAL ASSISTANCE RESTRICTIONS

5 15 a. A business creating jobs through moneys appropriated in
5 16 this section shall be subject to contract provisions requiring
5 17 new and retained jobs to be filled by individuals who are
5 18 citizens of the United States who reside within the United
5 19 States or any person authorized to work in the United States
5 20 pursuant to federal law, including legal resident aliens in the
5 21 United States.

5 22 b. Any vendor who receives moneys appropriated in this
5 23 section shall adhere to such contract provisions and provide
5 24 periodic assurances as the state shall require that the jobs
5 25 are filled solely by citizens of the United States who reside
5 26 within the United States or any person authorized to work in
5 27 the United States pursuant to federal law, including legal
5 28 resident aliens in the United States.

5 29 c. A business that receives financial assistance from the
5 30 department from moneys appropriated in this section shall
5 31 only employ individuals legally authorized to work in this
5 32 state. In addition to all other applicable penalties provided
5 33 by current law, all or a portion of the assistance received
5 34 by a business which is found to knowingly employ individuals
5 35 not legally authorized to work in this state is subject to
6 1 recapture by the department.

6 2 5. USES OF APPROPRIATIONS

- Business Development
- Community Development

Requires nonreversion of funds appropriated to the DED as specified.

Requires a business creating jobs with economic development assistance from funds appropriated in this Section to be subject to contract provisions stating that new and retained jobs must be filled by individuals that are citizens of the United States, that reside in the United States, or any person authorized to work in the United States pursuant to federal law, including legal resident aliens in the United States. Requires any vendor that receives public moneys from the DED through the appropriation to adhere to these contract provisions and provide periodic assurances of compliance.

Requires businesses receiving financial assistance from the DED, from funds appropriated in this Act, to employ only individuals legally authorized to work in the State. Permits the DED to recapture all or a portion of any financial assistance provided to a business that is found to have knowingly employed individuals not legally authorized to work in the State.

6 3 a. From the moneys appropriated in this section, the
6 4 department may provide financial assistance in the form of a
6 5 grant to a community economic development entity for conducting
6 6 a local workforce recruitment effort designed to recruit former
6 7 citizens of the state and former students at colleges and
6 8 universities in the state to meet the needs of local employers.

6 9 b. From the moneys appropriated in this section, the
6 10 department may provide financial assistance to early stage
6 11 industry companies being established by women entrepreneurs.

6 12 c. From the moneys appropriated in this section, the
6 13 department may provide financial assistance in the form of
6 14 grants, loans, or forgivable loans for advanced research and
6 15 commercialization projects involving value-added agriculture,
6 16 advanced technology, or biotechnology.

6 17 d. The department shall not use any moneys appropriated in
6 18 this section for purposes of providing financial assistance for
6 19 the Iowa green streets pilot project or for any other program
6 20 or project that involves the installation of geothermal systems
6 21 for melting snow and ice from streets or sidewalks.

6 22 6. WORLD FOOD PRIZE

6 23 For allocating moneys for the world food prize and
6 24 notwithstanding the standing appropriation in section 15.368,
6 25 subsection 1:
6 26 \$ 500,000

6 27 7. IOWA COMMISSION ON VOLUNTEER SERVICE

6 28 For allocation to the Iowa commission on volunteer service
6 29 for the Iowa's promise and mentoring partnership programs, for
6 30 transfer to the Iowa state commission grant program, and for
6 31 not more than the following full-time equivalent positions:
6 32 \$ 178,133

6 33 FTEs 7.00

6 34 Of the moneys appropriated in this subsection, the

Permits the DED to provide funding in the form of a grant to a community economic development entity for conducting a local workforce recruitment effort designed to recruit former citizens of the State and former students at State colleges and universities to meet the needs of local employers.

Permits the DED to provide financial assistance to early-stage industry companies being established by women entrepreneurs.

Permits the DED to provide financial assistance for advanced research and commercialization projects involving value-added agriculture, advanced technology, or biotechnology.

Prohibits the DED from using any funds in this section to provide financial assistance to any project that involves the installation of geothermal systems for melting snow and ice from streets or sidewalks.

General Fund appropriation to the World Food Prize.

DETAIL: This is a decrease of \$150,000 compared to estimated net FY 2011.

NOTE: House File 648 (Infrastructure Appropriations Act) appropriates \$100,000 from the RIIF for support of the World Food Prize/Ruan Scholar Program.

General Fund appropriation to the Iowa Commission on Volunteer Service.

DETAIL: This is an increase of \$68,417 compared to estimated net FY 2011.

The changes include:

- An increase of \$75,000 to move the appropriation used for the Grant Program from the Administrative Division to this line item.
- A general decrease of \$6,583.

Authorizes the Iowa Commission on Volunteer Service FTE positions.

DETAIL: This is a general increase of 1.00 FTE position.

Allocates \$75,000 of the General Fund appropriation to the Iowa

6 35 department shall allocate \$75,000 for purposes of the Iowa
7 1 state commission grant program and \$103,133 for purposes of the
7 2 Iowa's promise and mentoring partnership programs.

Commission on Volunteer Service for the Iowa State Commission Grant Program and \$103,133 for the Iowa Promise and Mentoring Partnership Program.

7 3 Notwithstanding section 8.33, moneys appropriated in this
7 4 subsection that remain unencumbered or unobligated at the close
7 5 of the fiscal year shall not revert but shall remain available
7 6 for expenditure for the purposes designated until the close of
7 7 the succeeding fiscal year.

Requires nonreversion of funds appropriated to the Iowa State Commission on Volunteer Service and the Iowa Promise and Mentoring Partnership.

7 8 Sec. 4. VISION IOWA PROGRAM — FTE AUTHORIZATION. For
7 9 purposes of administrative duties associated with the vision
7 10 Iowa program for the fiscal year beginning July 1, 2011, the
7 11 department of economic development is authorized an additional
7 12 2.25 FTEs above those otherwise authorized in this division of
7 13 this Act.

Authorizes 2.25 FTE positions for the Vision Iowa Program.

DETAIL: Maintains the current FTE level.

7 14 Sec. 5. INSURANCE ECONOMIC DEVELOPMENT. From the moneys
7 15 collected by the division of insurance in excess of the
7 16 anticipated gross revenues under section 505.7, subsection 3,
7 17 during the fiscal year beginning July 1, 2011, \$100,000 shall
7 18 be transferred to the department of economic development for
7 19 insurance economic development and international insurance
7 20 economic development.

Insurance receipts appropriation to the DED for insurance economic development.

DETAIL: Maintains the current level of support. Funds collected by the Insurance Division of the Department of Commerce in excess of the anticipated gross revenues are allocated to the DED for insurance economic development purposes.

NOTE: These funds are used by the DED to recruit insurance companies to the State.

7 21 Sec. 6. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding
7 22 section 15E.120, subsection 5, there is appropriated from the
7 23 Iowa community development loan fund all moneys available
7 24 during the fiscal year beginning July 1, 2011, and ending
7 25 June 30, 2012, to the department of economic development for
7 26 purposes of the community development program.

Appropriates all funds available from the Iowa Community Development Loan Fund to the Community Development Program.

DETAIL: There are no funds available in the Fund and no receipts are anticipated for FY 2012 or FY 2013 as there will be no loan repayments.

7 27 Sec. 7. WORKFORCE DEVELOPMENT FUND. There is appropriated
7 28 from the workforce development fund account created in section
7 29 15.342A to the workforce development fund created in section
7 30 15.343 for the fiscal year beginning July 1, 2011, and ending
7 31 June 30, 2012, the following amount, for purposes of the
7 32 workforce development fund:
7 33 \$ 4,000,000

Workforce Development Fund Account appropriation to the DED Workforce Development Fund Program.

DETAIL: This is no change compared to estimated net FY 2011.

7 34 Sec. 8. WORKFORCE DEVELOPMENT ADMINISTRATION. From moneys
7 35 appropriated or transferred to or receipts credited to the
8 1 workforce development fund created in section 15.343, up to
8 2 \$400,000 for the fiscal year beginning July 1, 2011, and ending
8 3 June 30, 2012, are appropriated to the department of economic

Permits the DED to use up to \$400,000 of the funds available in the Workforce Development Fund for administration and support of no more than 4.00 FTE positions.

DETAIL: This is no change compared to estimated net FY 2011.

8 4 development for the administration of workforce development
8 5 activities including salaries, support, maintenance, and
8 6 miscellaneous purposes, and for not more than the following
8 7 full-time equivalent positions:
8 8 FTEs 4.00

8 9 Sec. 9. JOB TRAINING FUND. Notwithstanding section 15.251,
8 10 all moneys in the job training fund on July 1, 2011, and any
8 11 moneys appropriated or credited to the fund during the fiscal
8 12 year beginning July 1, 2011, shall be transferred to the
8 13 workforce development fund established pursuant to section
8 14 15.343.

8 15 Sec. 10. GREEN INITIATIVES EXPENDITURE REPORT. By
8 16 January 1, 2012, the department of economic development shall
8 17 submit a written report to the general assembly regarding
8 18 all expenditures made during the previous fiscal year for
8 19 purposes of green initiatives, sustainability programs, and
8 20 all such similar efforts. The report shall identify such
8 21 expenditures with a level of specificity sufficient to allow
8 22 the general assembly to evaluate and assess the propriety of
8 23 such expenditures under the spending authority given to the
8 24 department for such purposes.

8 25 Sec. 11. IOWA STATE UNIVERSITY.
8 26 1. There is appropriated from the general fund of the state
8 27 to Iowa state university of science and technology for the
8 28 fiscal year beginning July 1, 2011, and ending June 30, 2012,
8 29 the following amount, or so much thereof as is necessary, to
8 30 be used for small business development centers, the science
8 31 and technology research park, and the institute for physical
8 32 research and technology, and for not more than the following
8 33 full-time equivalent positions:
8 34 \$ 2,424,302
8 35 FTEs 56.63

9 1 2. Of the moneys appropriated in subsection 1, Iowa state
9 2 university of science and technology shall allocate at least
9 3 \$936,345 for purposes of funding small business development
9 4 centers. Iowa state university of science and technology may
9 5 allocate moneys appropriated in subsection 1 to the various
9 6 small business development centers in any manner necessary to
9 7 achieve the purposes of this subsection.

9 8 3. Iowa state university of science and technology shall do
9 9 all of the following:
9 10 a. Direct expenditures for research toward projects that
9 11 will provide economic stimulus for Iowa.
9 12 b. Provide emphasis to providing services to Iowa-based

NOTE: The funding for the authorized expenditures is provided in the form of a transfer to the Workforce Development Fund.

Requires funds credited to the Jobs Training Fund from the 1.00% administration fee for FY 2012, to be transferred to the Workforce Development Fund and not the Workforce Development Account.

DETAIL: The transfer amount is estimated to be approximately \$400,000 annually for FY 2011, FY 2012, and FY 2013.

Requires the DED to report to the General Assembly on expenditures made through green initiatives and other sustainability programs.

General Fund appropriation to Iowa State University (ISU) for the Small Business Development Centers, Science and Technology Research Park, and Institute for Physical Research and Technology.

DETAIL: This is a decrease of \$151,681 compared to estimated net FY 2011 for ISU.

Requires an allocation of \$936,345 for Small Business Development Centers and allows ISU to allocate the moneys to the Small Business Development Centers in any manner necessary to achieve this purpose.

DETAIL: This is a decrease of \$58,584 compared to the authorized FY 2011 allocation to support the Small Business Development Centers.

Requires the ISU economic development programs to direct resources and efforts to projects and activities that:

- Stimulate the Iowa economy.
- Emphasize Iowa-based companies.

9 13 companies.

9 14 4. It is the intent of the general assembly that the
9 15 industrial incentive program focus on Iowa industrial
9 16 sectors and seek contributions and in-kind donations from
9 17 businesses, industrial foundations, and trade associations,
9 18 and that moneys for the institute for physical research and
9 19 technology industrial incentive program shall be allocated
9 20 only for projects which are matched by private sector moneys
9 21 for directed contract research or for nondirected research.
9 22 The match required of small businesses as defined in section
9 23 15.102, subsection 6, for directed contract research or for
9 24 nondirected research shall be \$1 for each \$3 of state funds.
9 25 The match required for other businesses for directed contract
9 26 research or for nondirected research shall be \$1 for each \$1 of
9 27 state funds. The match required of industrial foundations or
9 28 trade associations shall be \$1 for each \$1 of state funds.

9 29 Iowa state university of science and technology shall
9 30 report annually to the joint appropriations subcommittee on
9 31 economic development and the legislative services agency the
9 32 total amount of private contributions, the proportion of
9 33 contributions from small businesses and other businesses, and
9 34 the proportion for directed contract research and nondirected
9 35 research of benefit to Iowa businesses and industrial sectors.

10 1 5. Notwithstanding section 8.33, moneys appropriated in
10 2 this section that remain unencumbered or unobligated at the
10 3 close of the fiscal year shall not revert but shall remain
10 4 available for expenditure for the purposes designated until the
10 5 close of the succeeding fiscal year.

10 6 Sec. 12. UNIVERSITY OF IOWA.

10 7 1. There is appropriated from the general fund of the state
10 8 to the state university of Iowa for the fiscal year beginning
10 9 July 1, 2011, and ending June 30, 2012, the following amount,
10 10 or so much thereof as is necessary, to be used for the state
10 11 university of Iowa research park and for the advanced drug
10 12 development program at the Oakdale research park, including
10 13 salaries, support, maintenance, equipment, miscellaneous
10 14 purposes, and for not more than the following full-time
10 15 equivalent positions:
10 16 \$ 209,279
10 17 FTEs 6.00

10 18 2. The state university of Iowa shall do all of the
10 19 following:
10 20 a. Direct expenditures for research toward projects that
10 21 will provide economic stimulus for Iowa.
10 22 b. Provide emphasis to providing services to Iowa-based

Specifies it is the intent of the General Assembly that the Industrial Incentive Program focus on Iowa industrial sectors and seek private sector donations. Requires matching funds for participation in the Institute for Physical Research and Technology Incentive Program. The match is \$1.00 for each \$3.00 of State funds for small businesses or \$1.00 for each \$1.00 of State funds for larger businesses, industrial foundations, or trade organizations.

Requires ISU to report annually to the Economic Development Appropriations Subcommittee and the Fiscal Services Division of the Legislative Services Agency (LSA) the total amount of private contributions made to the Industrial Incentive Program, the proportion from small businesses and other businesses, and the proportion for directed and nondirected research.

Requires nonreversion of funds appropriated to ISU.

General Fund appropriation to the University of Iowa (SUI) for the Research Park and for the Advanced Drug Development Program.

DETAIL: This is a decrease of \$13,093 compared to estimated net FY 2011.

Requires the SUI economic development programs to direct resources and efforts to projects and activities that:

- Stimulate the Iowa economy.
- Emphasize Iowa-based companies.

10 23 companies.

10 24 3. Notwithstanding section 8.33, moneys appropriated in
10 25 this section that remain unencumbered or unobligated at the
10 26 close of the fiscal year shall not revert but shall remain
10 27 available for expenditure for the purposes designated until the
10 28 close of the succeeding fiscal year.

Requires nonreversion of funds appropriated to the SUI.

10 29 Sec. 13. UNIVERSITY OF NORTHERN IOWA.

10 30 1. There is appropriated from the general fund of the
10 31 state to the university of northern iowa for the fiscal year
10 32 beginning July 1, 2011, and ending June 30, 2012, the following
10 33 amount, or so much thereof as is necessary, to be used for the
10 34 metal casting institute, the MyEntreNet internet application,
10 35 and the institute of decision making, including salaries,
11 1 support, maintenance, miscellaneous purposes, and for not more
11 2 than the following full-time equivalent positions:
11 3 \$ 574,716
11 4 FTEs 6.75

General Fund appropriation to the University of Northern Iowa (UNI) for the Metal Casting Institute, MyEntreNet internet application, and the Institute for Decision Making.

DETAIL: This is a decrease of \$35,958 compared to estimated net FY 2011.

11 5 2. Of the moneys appropriated pursuant to subsection
11 6 1, the university of northern iowa shall allocate at least
11 7 \$117,639 for purposes of support of entrepreneurs through the
11 8 university's regional business center.

Requires the UNI to allocate at least \$117,639 to the My Concierge Program.

DETAIL: This is a decrease of \$7,361 compared to estimated net FY 2011.

11 9 3. The university of northern iowa shall do all of the
11 10 following:

- 11 11 a. Direct expenditures for research toward projects that
11 12 will provide economic stimulus for Iowa.
- 11 13 b. Provide emphasis to providing services to Iowa-based
11 14 companies.

Requires the UNI economic development programs to direct resources and efforts to projects and activities that:

- Stimulate the Iowa economy.
- Emphasize Iowa-based companies.

11 15 4. Notwithstanding section 8.33, moneys appropriated in
11 16 this section that remain unencumbered or unobligated at the
11 17 close of the fiscal year shall not revert but shall remain
11 18 available for expenditure for the purposes designated until the
11 19 close of the succeeding fiscal year.

Requires nonreversion of funds appropriated to the UNI.

11 20 Sec. 14. BOARD OF REGENTS REPORT. The state board of
11 21 regents shall submit a report on the progress of regents
11 22 institutions in meeting the strategic plan for technology
11 23 transfer and economic development to the secretary of the
11 24 senate, the chief clerk of the house of representatives, and
11 25 the legislative services agency by January 15, 2012.

Requires the Board of Regents to submit a report to the General Assembly and the LSA by January 15, 2012, regarding the progress of the Regents institutions in meeting the Strategic Plan for Technology Transfer and Economic Development.

11 26 Sec. 15. DEPARTMENT OF WORKFORCE DEVELOPMENT. There
11 27 is appropriated from the general fund of the state to the

11 28 department of workforce development for the fiscal year
11 29 beginning July 1, 2011, and ending June 30, 2012, the following
11 30 amounts, or so much thereof as is necessary, for the purposes
11 31 designated:

11 32 1. DIVISION OF LABOR SERVICES

11 33 a. For the division of labor services, including salaries,
11 34 support, maintenance, miscellaneous purposes, and for not more
11 35 than the following full-time equivalent positions:

12 1	..... \$	3,495,440
12 2	..... FTEs	64.00

12 3 b. From the contractor registration fees, the division of
12 4 labor services shall reimburse the department of inspections
12 5 and appeals for all costs associated with hearings under
12 6 chapter 91C, relating to contractor registration.

12 7 2. DIVISION OF WORKERS' COMPENSATION

12 8 a. For the division of workers' compensation, including
12 9 salaries, support, maintenance, miscellaneous purposes, and for
12 10 not more than the following full-time equivalent positions:

12 11	..... \$	2,949,044
12 12	..... FTEs	30.00

12 13 b. The division of workers' compensation shall charge a
12 14 \$100 filing fee for workers' compensation cases. The filing
12 15 fee shall be paid by the petitioner of a claim. However, the
12 16 fee can be taxed as a cost and paid by the losing party, except

General Fund appropriation to the Division of Labor Services of the Iowa Department of Workforce Development (IWD).

DETAIL: This is a general increase of \$355,688 and an increase of 1.25 FTE positions compared to estimated net FY 2011. The increase for the FTE positions is to adjust the FTE positions to the authorized FY 2011 amount.

Requires the Division of Labor Services to reimburse the Employment Appeals Board in the Department of Inspections and Appeals for the costs associated with hearings related to contractor registration from contractor registration fees.

General Fund appropriation to the Division of Workers' Compensation of the IWD.

DETAIL: This is a general increase of \$536,504 and 1.00 FTE position compared to estimated net FY 2011. The increases include the following:

- An increase of \$471,000 to replace an FY 2011 appropriation of \$471,000 to the Division from the Special Employment Security Contingency Fund.
- An increase of \$65,504 to reduce the delay for Workers' Compensation cases.
- The additional FTE position adjusts the FTE positions to the FY 2011 authorized amount.

NOTE: Total FY 2012 funding is \$2,949,044 from the General Fund.
NOTE: Total FY 2011 funding is \$2,883,540 from the following funds:

- \$2,412,540 General Fund
- \$471,000 P & I Fund

Requires the Workers' Compensation Division to continue to charge a \$100 filing fee for workers' compensation cases. Permits the losing party to be taxed for the fee, unless it would impose an undue hardship or be unjust. Appropriates the fees collected to the IWD to be used for the

12 17 in cases where it would impose an undue hardship or be unjust
12 18 under the circumstances. The moneys generated by the filing
12 19 fee allowed under this subsection are appropriated to the
12 20 department of workforce development to be used for purposes of
12 21 administering the division of workers' compensation.

administration of the Workers' Compensation Division.

DETAIL: It is estimated the Division will collect approximately \$420,000 in fees for FY 2012. This is no change compared to estimated net FY 2011.

NOTE: The filing fee was increased to \$100 in SF 478 (FY 2010 Standing Appropriations Act).

12 22 3. WORKFORCE DEVELOPMENT OPERATIONS

12 23 a. For the operation of field offices, the workforce
12 24 development board, and for not more than the following
12 25 full-time equivalent positions:
12 26 \$ 8,671,352

General Fund appropriation to the IWD for the operation of Field Offices, and the Workforce Development Board.

DETAIL: This is a general decrease of \$1,655,288 compared to estimated net FY 2011.

12 27 FTEs 130.00

Authorization for Workforce Development Field Office FTE positions.

DETAIL: This is a general decrease of 44.19 FTE positions compared to estimated net FY 2011.

NOTE: The authorization is for the Workforce Development Field Office Operating Fund. The Fund includes deposits from the General Fund, Unemployment Compensation Reserve Fund interest, and other funds.

12 28 b. Of the moneys appropriated in paragraph "a" of this
12 29 subsection, the department shall allocate \$8,660,480 for the
12 30 operation of field offices.

Specifies that \$8,660,480 of the General Fund appropriation for IWD operations is to be used for the operation of Field Offices.

DETAIL: This is a decrease of \$1,500,934 compared to estimated net FY 2011 and provides \$10,872 for allocation to the IWD Board.

NOTE: Total FY 2012 Field Office funding is \$17,365,824 from the following funds:

- \$8,660,480 General Fund
- \$1,217,084 P & I Fund (See Section 17)
- \$4,238,260 Reserve Fund Interest (See Section 18)
- \$3,250,000 Save Our Small Business Fund (See Section 26)

NOTE: The total estimated FY 2011 expenditures of \$13,079,171 (authorized \$17,323,841) by fund is as follows:

- \$10,161,414 General Fund
- \$2,917,757 Reserve Fund Interest (authorized \$6,500,000)
- \$0 P & I Fund (authorized \$662,427)

12 31 c. The department shall not reduce the number of field
12 32 offices below the number of field offices being operated as of
12 33 January 1, 2009.

Prohibits the IWD from reducing the number of Field Offices below the number in operation on January 1, 2009.

VETOED: The Governor vetoed this Section and stated the language would prohibit the IWD from putting forth an enhanced delivery system. The Governor also vetoed Section 61.3(c) pertaining to FY 2013.

12 34 4. OFFENDER REENTRY PROGRAM

12 35 a. For the development and administration of an offender
13 1 reentry program to provide offenders with employment skills,
13 2 and for not more than the following full-time equivalent
13 3 positions:
13 4 \$ 284,464
13 5 FTEs 3.00

General Fund appropriation to the IWD for the Offender Reentry Program.

DETAIL: This is a decrease of \$18,157 and no change in FTE positions compared to estimated net FY 2011.

13 6 b. The department shall partner with the department of
13 7 corrections to provide staff within the correctional facilities
13 8 to improve offenders' abilities to find and retain productive
13 9 employment.

Requires the IWD to partner with the Department of Corrections to improve offenders' abilities to find and retain employment.

13 10 5. DEFINITIONS

13 11 For purposes of this section:

13 12 a. "Field office" means a satellite office of a workforce
13 13 development center through which the workforce development
13 14 center maintains a physical presence in a county as described
13 15 in section 84B.2. For purposes of this paragraph, a workforce
13 16 development center maintains a physical presence in a county
13 17 if the center employs a staff person. "Field office" does
13 18 not include the presence of a workforce development center
13 19 maintained by electronic means.

Provides definitions for Field Offices and Workforce Development Centers.

VETOED: The Governor vetoed this Section and stated the definitions would prevent growth and progress in serving Iowans. The Governor also vetoed Section 61.5 pertaining to FY 2013.

13 20 b. "Workforce development center" means a center at
13 21 which state and federal employment and training programs are
13 22 colocated and at which services are provided at a local level
13 23 as described in section 84B.1.

13 24 6. NONREVERSION

13 25 Notwithstanding section 8.33, moneys appropriated in this
13 26 section that remain unencumbered or unobligated at the close of
13 27 the fiscal year shall not revert but shall remain available for
13 28 expenditure for the purposes designated until the close of the
13 29 succeeding fiscal year.

Requires nonreversion of funds appropriated to the IWD for the following:

- Division of Labor Service.
- Division of Workers' Compensation.
- Workforce Development Operations for Field Offices and the Workforce Development Board.
- Offender Reentry Program.

13 30 Sec. 16. ACCOUNTABILITY — AUDIT. The auditor of state
13 31 shall annually conduct an audit of the department of workforce
13 32 development and shall report the findings of such annual

Requires the Auditor of State to annually conduct an audit, including the accountability of the IWD programs, and submit findings in a report to the Economic Development Appropriations Subcommittee. Requires the

13 33 audit, including the accountability of programs of the
13 34 department, to the chairpersons and ranking members of the
13 35 joint appropriations subcommittee on economic development. The
14 1 department shall pay for the costs associated with the audit.

IWD to pay the cost of the audit.

14 2 Sec. 17. EMPLOYMENT SECURITY CONTINGENCY FUND.

14 3 1. There is appropriated from the special employment
14 4 security contingency fund to the department of workforce
14 5 development for the fiscal year beginning July 1, 2011, and
14 6 ending June 30, 2012, the following amount, or so much thereof
14 7 as is necessary, to be used for field offices:
14 8 \$ 1,217,084

Special Employment Security Contingency (also known as the Penalty and Interest or P and I) Fund appropriation to the IWD for operation of the Field Offices.

DETAIL: This is an increase of \$554,657 compared to FY 2011.

NOTE: It is anticipated that the IWD will not expend the funding authorized for FY 2011.

14 9 2. Any remaining additional penalty and interest revenue
14 10 collected by the department of workforce development is
14 11 appropriated to the department for the fiscal year beginning
14 12 July 1, 2011, and ending June 30, 2012, to accomplish the
14 13 mission of the department.

Allows any remaining additional penalty and interest revenues to be used as needed by the IWD.

14 14 Sec. 18. UNEMPLOYMENT COMPENSATION RESERVE FUND —
14 15 FIELD OFFICES. Notwithstanding section 96.9, subsection 8,
14 16 paragraph “e”, there is appropriated from interest earned on
14 17 the unemployment compensation reserve fund to the department
14 18 of workforce development for the fiscal year beginning July 1,
14 19 2011, and ending June 30, 2012, the following amount or so much
14 20 thereof as is necessary, for the purposes designated:
14 21 For the operation of field offices:
14 22 \$ 4,238,260

Unemployment Compensation Reserve Fund interest appropriation to the IWD for operation of the Field Offices.

DETAIL: This is a decrease of \$2,261,740 compared to FY 2011.

NOTE: This Act makes a General Fund appropriation in Section 15.3, and a P and I Fund appropriation in Section 17, to support Field Offices

NOTE: It is anticipated that the IWD will expend \$2,917,757 from the Reserve Fund interest during FY 2011.

14 23 Sec. 19. GENERAL FUND — EMPLOYEE MISCLASSIFICATION
14 24 PROGRAM. There is appropriated from the general fund of the
14 25 state to the department of workforce development for the fiscal
14 26 year beginning July 1, 2011, and ending June 30, 2012, the
14 27 following amount, or so much thereof as is necessary, to be
14 28 used for the purposes designated:

General Fund appropriation to the IWD for investigation of employers that misclassify workers.

14 29 For enhancing efforts to investigate employers that
14 30 misclassify workers and for not more than the following
14 31 full-time equivalent positions:
14 32 \$ 451,458
14 33 FTEs 8.10

DETAIL: This is a general decrease of \$28,816 in General Fund support and 1.00 FTE position compared to estimated net FY 2011. The reduced FTE position adjusts the FTE positions to the FY 2011 authorized amount.

14 34 Sec. 20. APPROPRIATIONS RESTRICTED. The department
14 35 of workforce development shall not use any of the moneys

Prohibits the IWD from using any appropriated funds for support of the National Career Readiness Certificate Program.

15 1 appropriated in this division of this Act for purposes of the
15 2 national career readiness certificate program.

VETOED: The Governor vetoed this Section and stated he could not agree to deny the IWD the potential use of this Program. The Governor also vetoed Section 66 pertaining to FY 2013.

15 3 Sec. 21. IOWA FINANCE AUTHORITY.

15 4 1. There is appropriated from the general fund of the state
15 5 to the Iowa finance authority for the fiscal year beginning
15 6 July 1, 2011, and ending June 30, 2012, the following amount,
15 7 or so much thereof as is necessary, to be used to provide
15 8 reimbursement for rent expenses to eligible persons under the
15 9 rent subsidy program:
15 10 \$ 658,000

General Fund appropriation to the Iowa Finance Authority (IFA) for the Rent Subsidy Program.

DETAIL: This is a new General Fund appropriation and was funded at \$700,000 from the Senior Living Trust Fund in FY 2011.

15 11 2. Participation in the rent subsidy program shall be
15 12 limited to only those persons who meet the requirements for the
15 13 nursing facility level of care for home and community-based
15 14 services waiver services as in effect on July 1, 2011, and
15 15 to those individuals who are eligible for the federal money
15 16 follows the person grant program under the medical assistance
15 17 program. Of the moneys appropriated in this section, not more
15 18 than \$35,000 may be used for administrative costs.

Requires participation in the Rent Subsidy Program to be limited to individuals at risk of nursing home placement and those eligible under the federal Money Follows the Person Grant Program. Permits the IFA to use up to \$35,000 for administrative costs.

15 19 Sec. 22. IOWA FINANCE AUTHORITY AUDIT. The auditor of state
15 20 is requested to review the audit of the Iowa finance authority
15 21 performed by the auditor hired by the authority.

Requests the Auditor of State to review the outside audit of the IFA.

15 22 Sec. 23. PUBLIC EMPLOYMENT RELATIONS BOARD.

15 23 1. There is appropriated from the general fund of the state
15 24 to the public employment relations board for the fiscal year
15 25 beginning July 1, 2011, and ending June 30, 2012, the following
15 26 amount, or so much thereof as is necessary, for the purposes
15 27 designated:

General Fund appropriation to the Public Employment Relations Board.

DETAIL: This is an increase of \$200,044 and a decrease of 2.00 FTE positions compared to estimated net FY 2011. The changes include:

15 28 For salaries, support, maintenance, miscellaneous purposes,
15 29 and for not more than the following full-time equivalent
15 30 positions:
15 31 \$ 1,057,871
15 32 FTEs 10.00

- An increase of \$200,000 to replace a one-time FY 2011 transfer from the Cash Reserve Fund that was made to offset a portion of the midyear reduction of \$244,076, resulting from provisions of HF 2531 (FY 2011 Standing Appropriations Act).
- A general increase of \$44.
- A decrease of 2.00 FTE positions to adjust the FTE positions to the authorized FY 2011 amount.

15 33 2. Of the moneys appropriated in this section, the board
15 34 shall allocate \$15,000 for maintaining a website that allows
15 35 searchable access to a database of collective bargaining
16 1 information.

16 2 Sec. 24. UNEMPLOYMENT COMPENSATION PROGRAM. Notwithstanding
16 3 section 96.9, subsection 4, paragraph "a", moneys credited to
16 4 the state by the secretary of the treasury of the United
16 5 States pursuant to section 903 of the Social Security

Permits expenditure of funds in the Unemployment Compensation Reserve Fund without specifying the amount for each purpose.

16 6 Act are appropriated to the department of workforce
16 7 development and shall be used by the department for the
16 8 administration of the unemployment compensation program only.
16 9 This appropriation shall not apply to any fiscal year
16 10 beginning after December 31, 2011.

16 11 Sec. 25. AGENCY APPEARANCES BEFORE APPROPRIATIONS
16 12 SUBCOMMITTEE. The directors, or the directors' designees,
16 13 of the Iowa finance authority and the department of economic
16 14 development, and any successor entities, shall annually appear
16 15 before the members of the joint subcommittee on economic
16 16 development appropriations and present a proposed budget. The
16 17 proposed budget shall include a detailed accounting of all
16 18 moneys received, from any source, and all moneys expended,
16 19 for any purpose, during the current fiscal year and the prior
16 20 fiscal year. The proposed budget shall also include a detailed
16 21 expenditure plan for such moneys during the next fiscal year.

16 22 DIVISION II
16 23 MISCELLANEOUS PROVISIONS

16 24 Sec. 26. Section 15.301, subsection 1, paragraph c,
16 25 subparagraph (1), Code 2011, is amended to read as follows:

16 26 (1) If, on March 31, 2011, there are unobligated moneys
16 27 in the fund, such unobligated moneys shall ~~revert to the~~
16 28 general fund of the state be transferred and appropriated to
16 29 the department of workforce development for the fiscal year
16 30 beginning July 1, 2011, for purposes of providing funding for
16 31 field offices.

16 32 Sec. 27. Section 15E.117, subsection 3, paragraph b, Code
16 33 2011, is amended by striking the paragraph.

16 34 Sec. 28. Section 16.41, subsection 1, Code 2011, is amended
16 35 to read as follows:

17 1 1. A shelter assistance fund is created as a revolving
17 2 fund in the state treasury under the control of the authority
17 3 consisting of any moneys appropriated by the general assembly
17 4 and received under section 428A.8 for purposes of the
17 5 rehabilitation, expansion, or costs of operations of group
17 6 home shelters for the homeless and domestic violence shelters,
17 7 evaluation of services for the homeless, and match moneys for
17 8 federal funds for the homeless management information system.
17 9 Each fiscal year, moneys in the fund, in an amount equal to not
17 10 more than two percent of the total moneys distributed as grants

Requires the directors of the IFA and the DED, or its successor entity, to annually appear before the Joint Subcommittee on Economic Development Appropriations and present a proposed budget.

CODE: Transfers and appropriates unobligated money in the Save Our Small Business Fund to the IWD to be used for Field Offices in FY 2012.

DETAIL: The unobligated balance transferred to the General Fund was \$3,250,000.

VETOED: The Governor vetoed this Section and stated this one-time funding source does not create a sustainable operating environment and instead moves the funding problem into the future.

CODE: Eliminates the allocation of \$100,000 from the Iowa Wine and Beer Promotion Board to the Midwest Grape and Wine Industry Institute at ISU.

CODE: Permits the IFA to use money in the Shelter Assistance Fund for service evaluation and federal match for the Homeless Management Information System. Also allows up to 2.00% of the total amount of grants awarded through the Shelter Assistance Fund to be used for administrative costs.

DETAIL: The Shelter Assistance Fund was transferred to the IFA in FY 2011. For the past five fiscal years the awards from the Fund have averaged \$921,000. The five-year average for administrative costs for the IFA and the contracted grant administrator has been \$37,000. The costs associated with service evaluation and match money for federal funds for the Homeless Management Information System have averaged

17 11 from the fund during the fiscal year, may be used for purposes
17 12 of administering the fund.

17 13 Sec. 29. Section 123.183, subsection 2, paragraph b, Code
17 14 2011, is amended by striking the paragraph and inserting in
17 15 lieu thereof the following:

17 16 b. (1) A wine gallonage tax fund is created in the office
17 17 of the treasurer of state.

17 18 (2) Moneys deposited in the fund are appropriated as
17 19 follows:

17 20 (a) To the midwest grape and wine industry institute at iowa
17 21 state university of science and technology, one hundred twenty
17 22 thousand dollars.

17 23 (b) To the department of economic development for purposes
17 24 of section 15E.117, the balance of moneys in the fund after the
17 25 appropriation in subparagraph subdivision (a).

17 26 (3) Moneys in the fund and moneys appropriated from the fund
17 27 pursuant to subparagraph (2) are not subject to reversion under
17 28 section 8.33.

17 29 Sec. 30. Section 404A.1, subsection 2, paragraph d, as
17 30 enacted by 2011 Iowa Acts, Senate File 521, section 1, is
17 31 amended to read as follows:

17 32 d. "Rehabilitation period" means the period of time during
17 33 which an eligible property is rehabilitated commencing from
17 34 the date on which the first qualified rehabilitation cost is
17 35 incurred and ending with the end of the taxable year in which
18 1 the property is placed in service. A project's rehabilitation
18 2 period may include dates that precede approval of a project
18 3 under section 404A.3, but any costs incurred prior to such
18 4 approval must be qualified rehabilitation ~~expenditures as~~
18 5 ~~defined in section 47(c)(2) of the Internal Revenue Code in~~
18 6 ~~order to be qualified rehabilitation costs under this~~
18 7 ~~chapter costs.~~

18 8 Sec. 31. Section 427.1, subsection 21, Code 2011, is amended
18 9 to read as follows:

18 10 21. LOW-RENT HOUSING. The property owned and operated
18 11 or controlled by a nonprofit organization, as recognized by
18 12 the internal revenue service, providing low-rent housing for
18 13 persons who are elderly and persons with physical and mental
18 14 disabilities. For the purposes of this subsection, the
18 15 controlling nonprofit entity may serve as a general partner
18 16 or managing member of a limited liability company or limited
18 17 liability partnership which owns the property. The exemption
18 18 granted under the provisions of this subsection shall apply
18 19 only until the final payment due date of the borrower's
18 20 original low-rent housing development mortgage or until the
18 21 borrower's original low-rent housing development mortgage

\$119,000 over the past five years. These funds have been partially paid
from the DED's Community Development Block Grant Funds.

CODE: Creates a standing appropriation of \$120,000 from the Wine
Gallonage Tax Fund to the Midwest Grape and Wine Industry Institute at
ISU. The remaining balance of the Fund is appropriated to the DED for
promotion of Iowa wine and beer.

DETAIL: This is an increase of \$20,000 compared to the standing
allocation in FY 2011. This change eliminates the transfer of money
through the DED. The remaining balance of the Fund is appropriated to
the DED for the promotion of Iowa wine and beer.

CODE: Modifies the State Historic Tax Credit Program definition of the
"Rehabilitation Period", established in 2011 Iowa Acts, SF 521 (Property
Rehabilitation Tax Credit Program), to remove a reference to the Federal
Program.

CODE: Modifies the definition of Low-income Housing, provided in Code
Section 427.1(21), to include properties that are owned by limited liability
corporations or limited liability partnerships, and are controlled or
managed by a nonprofit entity.

18 22 is paid in full or expires, whichever is sooner, subject to
18 23 the provisions of subsection 14. However, if the borrower's
18 24 original low-rent housing development mortgage is refinanced,
18 25 the exemption shall apply only until the date that would
18 26 have been the final payment due date under the terms of the
18 27 borrower's original low-rent housing development mortgage or
18 28 until the refinanced mortgage is paid in full or expires,
18 29 whichever is sooner, subject to the provisions of subsection
18 30 14.

18 31 Sec. 32. 2008 Iowa Acts, chapter 1190, section 30,
18 32 subsection 3, is amended to read as follows:
18 33 3. As part of the plan, the department of workforce
18 34 development shall set a goal of having at least one certified
18 35 one-stop center in each of the fifteen workforce regions by the
19 1 year ~~2012~~ 2014.

19 2 Sec. 33. 2010 Iowa Acts, chapter 1184, section 37, is
19 3 amended by adding the following new unnumbered paragraph:
19 4 NEW UNNUMBERED PARAGRAPH Notwithstanding section 8.33,
19 5 moneys appropriated in this section shall not revert at the
19 6 close of the fiscal year for which they are appropriated but
19 7 shall remain available for the purposes designated until
19 8 the close of the fiscal year that begins July 1, 2011. The
19 9 full-time equivalent position authorized in this section shall
19 10 continue to be authorized until the close of the fiscal year
19 11 that begins July 1, 2011.

19 12 Sec. 34. 2010 Iowa Acts, chapter 1193, section 88, is
19 13 amended to read as follows:
19 14 SEC. 88. TAIWAN TRADE OFFICE — IOWA COMPREHENSIVE
19 15 PETROLEUM UNDERGROUND STORAGE TANK FUND. There is appropriated
19 16 from the Iowa comprehensive petroleum underground storage tank
19 17 fund to the department of economic development for the fiscal
19 18 year beginning July 1, 2010, and ending June 30, 2011, the
19 19 following amount, or so much thereof as is necessary, to be
19 20 used for the purposes designated:

19 21 Notwithstanding section 455G.3, subsection 1, for
19 22 establishing a trade office in Taipei, Taiwan:
19 23 \$ 100,000

19 24 Notwithstanding section 8.33, moneys appropriated in this
19 25 section shall not revert at the close of the fiscal year for
19 26 which they are appropriated but shall remain available for the
19 27 purposes designated until the close of the fiscal year that
19 28 begins July 1, 2011.

19 29 If the department cannot arrange for matching moneys from
19 30 another source by June 30, 2012, in an amount at least equal to
19 31 the appropriation made in this section, the moneys appropriated
19 32 in this section shall revert to the Iowa comprehensive

Extends the time IWD has to set a goal of having at least one certified one-stop center in each of the 15 workforce regions from the year 2012 to the year 2014.

Requires nonreversion of funds and the FTE position authorized for FY 2011 from the School Infrastructure Fund in SF 2389 (FY 2011 Infrastructure Appropriations Act) for the DED Site Development Consultation Program until the end of FY 2012.

Requires nonreversion of funds appropriated for FY 2011 from the Underground Storage Tank Fund in HF 2531 (FY 2011 Standing Appropriations Act) to the DED for the creation of a Taiwan Trade Office until the end of FY 2012.

19 33 petroleum underground storage tank fund.

19 34 Sec. 35. EFFECTIVE UPON ENACTMENT — RETROACTIVE
19 35 APPLICABILITY.

20 1 1. The section of this division of this Act amending section
20 2 15.301, being deemed of immediate importance, takes effect upon
20 3 enactment and applies retroactively to March 30, 2011.

The Section regarding the Save Our Small Business Fund is effective on enactment and retroactive to March 30, 2011.

20 4 2. The section of this division of this Act amending section
20 5 404A.1, subsection 2, being deemed of immediate importance,
20 6 takes effect upon enactment and applies retroactively to July
20 7 1, 2009, for projects approved and tax credits reserved on or
20 8 after that date.

The Section amending the State Historic Tax Credit Program is effective on enactment and retroactive to July 1, 2009.

20 9 3. The sections of this division of this Act amending
20 10 2010 Iowa Acts, chapter 1193, and 2010 Iowa Acts, chapter
20 11 1184, being deemed of immediate importance, take effect upon
20 12 enactment, and if approved by the governor on or after July 1,
20 13 2011, apply retroactively to June 30, 2011.

The Sections regarding the Site Development Consultation Program and the Taiwan Trade Office are effective on enactment and retroactive to June 30, 2011.

20 14 DIVISION III
20 15 TAX CREDITS

20 16 Sec. 36. Section 15.119, subsection 2, Code 2011, is amended
20 17 to read as follows:

20 18 2. The department, with the approval of the board, shall
20 19 adopt by rule a procedure for allocating the aggregate tax
20 20 credit limit established in this section among the following
20 21 programs ~~administered by the department~~:

20 22 a. The high quality job creation program administered
20 23 pursuant to sections 15.326 through 15.336.

20 24 b. The film, television, and video project promotion program
20 25 administered pursuant to sections 15.391 through 15.393.

20 26 c. The corporate tax research credit under the quality jobs
20 27 enterprise zone program pursuant to section 15A.9, subsection
20 28 8.

20 29 d. The enterprise zones program administered pursuant to
20 30 sections 15E.191 through 15E.197.

20 31 e. The assistive device tax credit program administered
20 32 pursuant to section 422.11E and section 422.33, subsection 9.

20 33 f. The tax credits for investments in qualifying businesses
20 34 and community-based seed capital funds issued pursuant to
20 35 section 15E.43. In allocating tax credits pursuant to this
21 1 subsection, the department shall allocate two million dollars
21 2 for purposes of this paragraph.

21 3 g. The tax credits for investments in an innovation fund
21 4 pursuant to section 15E.52. In allocating tax credits pursuant
21 5 to this subsection, the department shall allocate eight million
21 6 dollars for purposes of this paragraph.

CODE: Moves the Business and Community-Based Seed Capital Fund Investment Tax Credit to the DED and establishes an allocation of \$2,000,000. Creates an Innovation Fund Investment Tax Credit of \$8,000,000. The tax credits are established under the DED's current cap of \$120,000,000.

21 7 Sec. 37. Section 15E.42, subsection 2, Code 2011, is amended
21 8 to read as follows:

21 9 2. "Board" means the ~~Iowa capital investment~~ economic
21 10 development board created in section ~~15E.63~~ 15.103.

21 11 Sec. 38. Section 15E.43, subsection 4, Code 2011, is amended
21 12 by striking the subsection and inserting in lieu thereof the
21 13 following:

21 14 4. The board shall not issue tax credits under this section
21 15 in excess of the amount approved by the department for any one
21 16 fiscal year pursuant to section 15.119.

21 17 Sec. 39. Section 15E.44, subsection 2, paragraphs d and e,
21 18 Code 2011, are amended to read as follows:

21 19 d. The business is not a business engaged primarily in
21 20 retail sales, real estate, or the provision of health care
21 21 or other ~~professional~~ services that require a professional
21 22 license.

21 23 e. The business shall not have a net worth that exceeds ~~ten~~
21 24 five million dollars.

21 25 Sec. 40. NEW SECTION 15E.52 INNOVATION FUND INVESTMENT
21 26 TAX CREDITS.

21 27 1. For purposes of this section, unless the context
21 28 otherwise requires:

21 29 a. "Board" means the same as defined in section 15.102.

21 30 b. "Innovation fund" means one or more early-stage capital
21 31 funds certified by the board.

21 32 c. "Innovative business" means a business applying novel
21 33 or original methods to the manufacture of a product or the
21 34 delivery of a service. "Innovative business" includes but is
21 35 not limited to a business engaged in a targeted industry as
22 1 defined in section 15.411.

22 2 2. a. A tax credit shall be allowed against the taxes
22 3 imposed in chapter 422, divisions II, III, and V, and in
22 4 chapter 432, and against the moneys and credits tax imposed
22 5 in section 533.329, for a portion of a taxpayer's equity
22 6 investment in the form of cash in an innovation fund.

22 7 b. An individual may claim a tax credit under this section
22 8 of a partnership, limited liability company, S corporation,
22 9 estate, or trust electing to have income taxed directly to
22 10 the individual. The amount claimed by the individual shall
22 11 be based upon the pro rata share of the individual's earnings
22 12 from the partnership, limited liability company, S corporation,
22 13 estate, or trust.

22 14 3. The amount of a tax credit allowed under this section
22 15 shall equal twenty percent of the taxpayer's equity investment
22 16 in an innovation fund.

CODE: Changes the definition of "Board" from the Iowa Capital Investment Board to the Economic Development Board for the purposes of the Business and Community Based Seed Capital Funds Tax Credit Program.

CODE: Moves the current Business and Community-Based Seed Capital Funds Tax Credit under the DED's current \$120,000,000 tax credit cap.

CODE: Clarifies that businesses that require a professional license are prohibited from qualifying for the tax credit.

CODE: Decreases the net worth of a qualifying business from \$10,000,000 to \$5,000,000.

CODE: Establishes the parameters for the Innovation Fund Investment Tax Credit. Qualifying Innovation Funds must be organized for the purposes of making investments in promising early-stage companies for businesses principally located in the State, the funds purpose must be to make investments in innovative businesses, and must seek to secure private funding sources for investment in the businesses.

22 17 4. A taxpayer shall not claim a tax credit under this
22 18 section if the taxpayer is a venture capital investment fund
22 19 allocation manager for the Iowa fund of funds created in
22 20 section 15E.65 or an investor that receives a tax credit for
22 21 the same investment in a qualifying business as described in
22 22 section 15E.44 or in a community-based seed capital fund as
22 23 described in section 15E.45.

22 24 5. a. The board shall issue certificates under this section
22 25 which may be redeemed for tax credits. The board shall issue
22 26 such certificates so that not more than the amount allocated
22 27 for such tax credits under section 15.119, subsection 2, may be
22 28 claimed. The certificates shall not be transferable.

22 29 b. The board shall, in cooperation with the department of
22 30 revenue, establish criteria and procedures for the allocation
22 31 and issuance of tax credits by means of certificates issued
22 32 by the board. The criteria shall include the contingencies
22 33 that must be met for a certificate to be redeemable in order to
22 34 receive a tax credit. The procedures established by the board,
22 35 in cooperation with the department of revenue, shall relate to
23 1 the procedures for the issuance of the certificates and for the
23 2 redemption of a certificate and related tax credit.

23 3 6. A taxpayer shall not redeem a certificate and related tax
23 4 credit prior to the third tax year following the tax year in
23 5 which the investment is made. Any tax credit in excess of the
23 6 taxpayer's liability for the tax year may be credited to the
23 7 tax liability for the following five years or until depleted,
23 8 whichever is earlier. A tax credit shall not be carried back
23 9 to a tax year prior to the tax year in which the taxpayer claims
23 10 the tax credit.

23 11 7. An innovation fund shall submit an application for
23 12 certification to the board. The board shall approve the
23 13 application and certify the innovation fund if all of the
23 14 following criteria are met:

23 15 a. The fund is organized for the purposes of making
23 16 investments in promising early-stage companies which have a
23 17 principal place of business in the state and for using the
23 18 profits from such investments to fund further investments.

23 19 b. The fund proposes to make investments in innovative
23 20 businesses.

23 21 c. The fund seeks to secure private funding sources for
23 22 investment in such businesses.

23 23 Sec. 41. NEW SECTION 422.11Y INNOVATION FUND INVESTMENT
23 24 TAX CREDITS.

23 25 The taxes imposed under this division, less the credits
23 26 allowed under section 422.12, shall be reduced by an innovation
23 27 fund investment tax credit allowed under section 15E.52.

23 28 Sec. 42. Section 422.33, Code 2011, is amended by adding the
23 29 following new subsection:

CODE: Conforming changes associated with the Innovation Fund
Investment Tax Credits.

23 30 NEW SUBSECTION 13. The taxes imposed under this division
23 31 shall be reduced by an innovation fund investment tax credit
23 32 allowed under section 15E.52.

23 33 Sec. 43. Section 422.60, Code 2011, is amended by adding the
23 34 following new subsection:

23 35 NEW SUBSECTION 13. The taxes imposed under this division
24 1 shall be reduced by an innovation fund investment tax credit
24 2 allowed under section 15E.52.

24 3 Sec. 44. NEW SECTION 432.12M INNOVATION FUND INVESTMENT
24 4 TAX CREDIT.

24 5 The taxes imposed under this chapter shall be reduced by an
24 6 innovation fund investment tax credit allowed under section
24 7 15E.52.

24 8 Sec. 45. Section 533.329, subsection 2, Code 2011, is
24 9 amended by adding the following new paragraph:

24 10 NEW PARAGRAPH I. The moneys and credits tax imposed under
24 11 this section shall be reduced by an innovation fund investment
24 12 tax credit allowed under section 15E.52.

24 13 Sec. 46. CODE EDITOR DIRECTIVE. If 2011 Iowa Acts, House
24 14 File 590, is enacted, the Code editor is directed to change
24 15 references in this Act from "economic development board" to
24 16 "economic development authority."

Directs the Code Editor to change references to the "Economic Development Board" to the "Economic Development Authority" if HF 590 (Iowa Partnership for Economic Progress Act) is enacted.

NOTE: HF 590 was approved by the General Assembly on June 29, 2011, and signed by the Governor on July 18, 2011.

24 17 Sec. 47. RETROACTIVE APPLICABILITY. This division of this
24 18 Act applies retroactively to January 1, 2011, for tax years
24 19 beginning and investments made on or after that date.

This Division is effective on enactment and retroactive to January 1, 2011.

24 20 DIVISION IV
24 21 FY 2012-2013
24 22 Sec. 48. DEPARTMENT OF CULTURAL AFFAIRS. There is
24 23 appropriated from the general fund of the state to the
24 24 department of cultural affairs for the fiscal year beginning
24 25 July 1, 2012, and ending June 30, 2013, the following amounts,
24 26 or so much thereof as is necessary, to be used for the purposes
24 27 designated:

24 28 1. ADMINISTRATION
24 29 For salaries, support, maintenance, miscellaneous purposes,
24 30 and for not more than the following full-time equivalent
24 31 positions for the department:
24 32 \$ 85,907
24 33 FTEs 74.50

24 34 The department of cultural affairs shall coordinate
24 35 activities with the tourism office of the department of
25 1 economic development to promote attendance at the state
25 2 historical building and at this state's historic sites.
25 3 Full-time equivalent positions authorized under this

Biennial Budgeting - FY 2013: This Act appropriates a total of \$18,106,216 from the General Fund and authorizes 551.23 FTE positions to the DCA, the DED, Board of Regents economic development programs, the IWD, the IFA, and the Public Employment Relations Board for FY 2013. This Act also appropriates a total of \$3,808,542 from other funds. These appropriations are equal to 50.00% of the appropriations for FY 2012, with the following exceptions:

- The authorization for FTE positions are the same for FY 2013 compared to FY 2012.
- This Act appropriates \$1,200,000 from the Unemployment Compensation Reserve Fund interest for FY 2013. This is 100.00% of the estimated amount that will be available for FY 2013.
- An appropriation is not made from the Save Our Small Business Fund because the FY 2012 appropriation is \$3,250,000 is a one-time funding source.

25	4	subsection shall be funded, in full or in part, using moneys	
25	5	appropriated under this subsection and subsections 3 through 7.	
25	6	2. COMMUNITY CULTURAL GRANTS	
25	7	For planning and programming for the community cultural	
25	8	grants program established under section 303.3:	
25	9	..... \$	86,045
25	10	3. HISTORICAL DIVISION	
25	11	For the support of the historical division:	
25	12	..... \$	1,383,851
25	13	4. HISTORIC SITES	
25	14	For the administration and support of historic sites:	
25	15	..... \$	213,199
25	16	5. ARTS DIVISION	
25	17	For the support of the arts division:	
25	18	..... \$	466,882
25	19	6. IOWA GREAT PLACES	
25	20	For the Iowa great places program established under section	
25	21	303.3C:	
25	22	..... \$	75,000
25	23	7. ARCHIVE IOWA GOVERNORS' RECORDS	
25	24	For archiving the records of Iowa governors:	
25	25	..... \$	32,967
25	26	8. RECORDS CENTER RENT	
25	27	For payment of rent for the state records center:	
25	28	..... \$	113,622
25	29	9. BATTLE FLAGS	
25	30	For continuation of the project recommended by the Iowa	
25	31	battle flag advisory committee to stabilize the condition of	
25	32	the battle flag collection:	
25	33	..... \$	30,000

25 34 Sec. 49. GOALS AND ACCOUNTABILITY — ECONOMIC DEVELOPMENT.

- 25 35 1. For the fiscal year beginning July 1, 2012, the goals for
- 26 1 the department of economic development shall be to expand and
- 26 2 stimulate the state economy, increase the wealth of Iowans, and
- 26 3 increase the population of the state.
- 26 4 2. To achieve the goals in subsection 1, the department
- 26 5 of economic development shall do all of the following for the
- 26 6 fiscal year beginning July 1, 2012:
- 26 7 a. Concentrate its efforts on programs and activities that
- 26 8 result in commercially viable products and services.
- 26 9 b. Adopt practices and services consistent with free
- 26 10 market, private sector philosophies.
- 26 11 c. Ensure economic growth and development throughout the
- 26 12 state.
- 26 13 d. Work with businesses and communities to continually
- 26 14 improve the economic development climate along with the
- 26 15 economic well-being and quality of life for Iowans.
- 26 16 e. Coordinate with other state agencies to ensure that they
- 26 17 are attentive to the needs of an entrepreneurial culture.

26 18 f. Establish a strong and aggressive marketing image to
26 19 showcase Iowa's workforce, existing industry, and potential.
26 20 A priority shall be placed on recruiting new businesses,
26 21 business expansion, and retaining existing Iowa businesses.
26 22 Emphasis shall be placed on entrepreneurial development through
26 23 helping entrepreneurs secure capital, and developing networks
26 24 and a business climate conducive to entrepreneurs and small
26 25 businesses.

26 26 g. Encourage the development of communities and quality of
26 27 life to foster economic growth.

26 28 h. Prepare communities for future growth and development
26 29 through development, expansion, and modernization of
26 30 infrastructure.

26 31 i. Develop public-private partnerships with Iowa businesses
26 32 in the tourism industry, Iowa tour groups, Iowa tourism
26 33 organizations, and political subdivisions in this state to
26 34 assist in the development of advertising efforts.

26 35 j. Develop, to the fullest extent possible, cooperative
27 1 efforts for advertising with contributions from other sources.

27 2 Sec. 50. DEPARTMENT OF ECONOMIC DEVELOPMENT.

27 3 1. APPROPRIATION

27 4 There is appropriated from the general fund of the state
27 5 to the department of economic development for the fiscal year
27 6 beginning July 1, 2012, and ending June 30, 2013, the following
27 7 amounts, or so much thereof as is necessary, to be used for the
27 8 purposes designated in subsection 2, and for not more than the
27 9 following full-time equivalent positions:

27 10	\$	4,891,712
27 11	FTEs	149.00

27 12 2. DESIGNATED PURPOSES

27 13 a. For salaries, support, miscellaneous purposes, programs,
27 14 and the maintenance of an administration division, a business
27 15 development division, and a community development division.

27 16 b. The full-time equivalent positions authorized under this
27 17 section shall be funded, in whole or in part, by the moneys
27 18 appropriated under subsection 1 or by other moneys received by
27 19 the department, including certain federal moneys.

27 20 c. For business development operations and programs, the
27 21 film office, international trade, export assistance, workforce
27 22 recruitment, and the partner state program.

27 23 d. For transfer to the strategic investment fund created in
27 24 section 15.313.

27 25 e. For community economic development programs, tourism
27 26 operations, community assistance, plans for Iowa green corps
27 27 and summer youth programs, the mainstreet and rural mainstreet
27 28 programs, the school-to-career program, the community
27 29 development block grant, and housing and shelter-related
27 30 programs.

27 31 f. For achieving the goals and accountability, and

27 32 fulfilling the requirements and duties required under this Act.

27 33 3. NONREVERSION

27 34 Notwithstanding section 8.33, moneys appropriated in
27 35 subsection 1 that remain unencumbered or unobligated at the
28 1 close of the fiscal year shall not revert but shall remain
28 2 available for expenditure for the purposes designated in
28 3 subsection 2 until the close of the succeeding fiscal year.

28 4 4. FINANCIAL ASSISTANCE RESTRICTIONS

28 5 a. A business creating jobs through moneys appropriated in
28 6 this section shall be subject to contract provisions requiring
28 7 new and retained jobs to be filled by individuals who are
28 8 citizens of the United States who reside within the United
28 9 States or any person authorized to work in the United States
28 10 pursuant to federal law, including legal resident aliens in the
28 11 United States.

28 12 b. Any vendor who receives moneys appropriated in this
28 13 section shall adhere to such contract provisions and provide
28 14 periodic assurances as the state shall require that the jobs
28 15 are filled solely by citizens of the United States who reside
28 16 within the United States or any person authorized to work in
28 17 the United States pursuant to federal law, including legal
28 18 resident aliens in the United States.

28 19 c. A business that receives financial assistance from the
28 20 department from moneys appropriated in this section shall
28 21 only employ individuals legally authorized to work in this
28 22 state. In addition to all other applicable penalties provided
28 23 by current law, all or a portion of the assistance received
28 24 by a business which is found to knowingly employ individuals
28 25 not legally authorized to work in this state is subject to
28 26 recapture by the department.

28 27 5. USES OF APPROPRIATIONS

28 28 a. From the moneys appropriated in this section, the
28 29 department may provide financial assistance in the form of a
28 30 grant to a community economic development entity for conducting
28 31 a local workforce recruitment effort designed to recruit former
28 32 citizens of the state and former students at colleges and
28 33 universities in the state to meet the needs of local employers.

28 34 b. From the moneys appropriated in this section, the
28 35 department may provide financial assistance to early stage
29 1 industry companies being established by women entrepreneurs.

29 2 c. From the moneys appropriated in this section, the
29 3 department may provide financial assistance in the form of
29 4 grants, loans, or forgivable loans for advanced research and
29 5 commercialization projects involving value-added agriculture,
29 6 advanced technology, or biotechnology.

29 7 d. The department shall not use any moneys appropriated in
29 8 this section for purposes of providing financial assistance for
29 9 the Iowa green streets pilot project or for any other program
29 10 or project that involves the installation of geothermal systems

29 11 for melting snow and ice from streets or sidewalks.
29 12 6. WORLD FOOD PRIZE
29 13 For allocating moneys for the world food prize and
29 14 notwithstanding the standing appropriation in section 15.368,
29 15 subsection 1:

29 16 \$ 250,000

29 17 7. IOWA COMMISSION ON VOLUNTEER SERVICE
29 18 For allocation to the Iowa commission on volunteer service
29 19 for the Iowa's promise and mentoring partnership programs, for
29 20 transfer to the Iowa state commission grant program, and for
29 21 not more than the following full-time equivalent positions:

29 22 \$ 89,067

29 23 FTEs 7.00

29 24 Of the moneys appropriated in this subsection, the
29 25 department shall allocate \$37,500 for purposes of the Iowa
29 26 state commission grant program and \$51,567 for purposes of the
29 27 Iowa's promise and mentoring partnership programs.

29 28 Notwithstanding section 8.33, moneys appropriated in this
29 29 subsection that remain unencumbered or unobligated at the close
29 30 of the fiscal year shall not revert but shall remain available
29 31 for expenditure for the purposes designated until the close of
29 32 the succeeding fiscal year.

29 33 Sec. 51. VISION IOWA PROGRAM — FTE AUTHORIZATION. For
29 34 purposes of administrative duties associated with the vision
29 35 Iowa program for the fiscal year beginning July 1, 2012, the
30 1 department of economic development is authorized an additional
30 2 2.25 FTEs above those otherwise authorized in this division of
30 3 this Act.

30 4 Sec. 52. INSURANCE ECONOMIC DEVELOPMENT. From the moneys
30 5 collected by the division of insurance in excess of the
30 6 anticipated gross revenues under section 505.7, subsection 3,
30 7 during the fiscal year beginning July 1, 2012, \$100,000 shall
30 8 be transferred to the department of economic development for
30 9 insurance economic development and international insurance
30 10 economic development.

30 11 Sec. 53. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding
30 12 section 15E.120, subsection 5, there is appropriated from the
30 13 Iowa community development loan fund all moneys available
30 14 during the fiscal year beginning July 1, 2012, and ending
30 15 June 30, 2013, to the department of economic development for
30 16 purposes of the community development program.

30 17 Sec. 54. WORKFORCE DEVELOPMENT FUND. There is appropriated
30 18 from the workforce development fund account created in section
30 19 15.342A to the workforce development fund created in section
30 20 15.343 for the fiscal year beginning July 1, 2012, and ending
30 21 June 30, 2013, the following amount, for purposes of the
30 22 workforce development fund:

30 23 \$ 2,000,000

30 24 Sec. 55. WORKFORCE DEVELOPMENT ADMINISTRATION. From moneys

30 25 appropriated or transferred to or receipts credited to the
30 26 workforce development fund created in section 15.343, up to
30 27 \$400,000 for the fiscal year beginning July 1, 2012, and ending
30 28 June 30, 2013, are appropriated to the department of economic
30 29 development for the administration of workforce development
30 30 activities including salaries, support, maintenance, and
30 31 miscellaneous purposes, and for not more than the following
30 32 full-time equivalent positions:

30 33 FTEs 4.00

30 34 Sec. 56. JOB TRAINING FUND. Notwithstanding section
30 35 15.251, all moneys in the job training fund on July 1, 2012,
31 1 and any moneys appropriated or credited to the fund during the
31 2 fiscal year beginning July 1, 2012, shall be transferred to
31 3 the workforce development fund established pursuant to section
31 4 15.343.

31 5 Sec. 57. IOWA STATE UNIVERSITY.

31 6 1. There is appropriated from the general fund of the state
31 7 to Iowa state university of science and technology for the
31 8 fiscal year beginning July 1, 2012, and ending June 30, 2013,
31 9 the following amount, or so much thereof as is necessary, to
31 10 be used for small business development centers, the science
31 11 and technology research park, and the institute for physical
31 12 research and technology, and for not more than the following
31 13 full-time equivalent positions:

31 14 \$ 1,212,151

31 15 FTEs 56.63

31 16 2. Of the moneys appropriated in subsection 1, Iowa state
31 17 university of science and technology shall allocate at least
31 18 \$468,178 for purposes of funding small business development
31 19 centers. Iowa state university of science and technology may
31 20 allocate moneys appropriated in subsection 1 to the various
31 21 small business development centers in any manner necessary to
31 22 achieve the purposes of this subsection.

31 23 3. Iowa state university of science and technology shall do
31 24 all of the following:

31 25 a. Direct expenditures for research toward projects that
31 26 will provide economic stimulus for Iowa.

31 27 b. Provide emphasis to providing services to Iowa-based
31 28 companies.

31 29 4. It is the intent of the general assembly that the
31 30 industrial incentive program focus on Iowa industrial
31 31 sectors and seek contributions and in-kind donations from
31 32 businesses, industrial foundations, and trade associations,
31 33 and that moneys for the institute for physical research and
31 34 technology industrial incentive program shall be allocated
31 35 only for projects which are matched by private sector moneys
32 1 for directed contract research or for nondirected research.

32 2 The match required of small businesses as defined in section
32 3 15.102, subsection 6, for directed contract research or for

32 4 nondirected research shall be \$1 for each \$3 of state funds.
32 5 The match required for other businesses for directed contract
32 6 research or for nondirected research shall be \$1 for each \$1 of
32 7 state funds. The match required of industrial foundations or
32 8 trade associations shall be \$1 for each \$1 of state funds.

32 9 Iowa state university of science and technology shall
32 10 report annually to the joint appropriations subcommittee on
32 11 economic development and the legislative services agency the
32 12 total amount of private contributions, the proportion of
32 13 contributions from small businesses and other businesses, and
32 14 the proportion for directed contract research and nondirected
32 15 research of benefit to Iowa businesses and industrial sectors.

32 16 5. Notwithstanding section 8.33, moneys appropriated in
32 17 this section that remain unencumbered or unobligated at the
32 18 close of the fiscal year shall not revert but shall remain
32 19 available for expenditure for the purposes designated until the
32 20 close of the succeeding fiscal year.

32 21 Sec. 58. UNIVERSITY OF IOWA.

32 22 1. There is appropriated from the general fund of the state
32 23 to the state university of Iowa for the fiscal year beginning
32 24 July 1, 2012, and ending June 30, 2013, the following amount,
32 25 or so much thereof as is necessary, to be used for the state
32 26 university of Iowa research park and for the advanced drug
32 27 development program at the Oakdale research park, including
32 28 salaries, support, maintenance, equipment, miscellaneous
32 29 purposes, and for not more than the following full-time
32 30 equivalent positions:

32 31	\$	104,640
32 32	FTEs	6.00

32 33 2. The state university of Iowa shall do all of the
32 34 following:

- 32 35 a. Direct expenditures for research toward projects that
33 1 will provide economic stimulus for Iowa.
- 33 2 b. Provide emphasis to providing services to Iowa-based
33 3 companies.

33 4 3. Notwithstanding section 8.33, moneys appropriated in
33 5 this section that remain unencumbered or unobligated at the
33 6 close of the fiscal year shall not revert but shall remain
33 7 available for expenditure for the purposes designated until the
33 8 close of the succeeding fiscal year.

33 9 Sec. 59. UNIVERSITY OF NORTHERN IOWA.

33 10 1. There is appropriated from the general fund of the
33 11 state to the university of northern Iowa for the fiscal year
33 12 beginning July 1, 2012, and ending June 30, 2013, the following
33 13 amount, or so much thereof as is necessary, to be used for the
33 14 metal casting institute, the MyEntreNet internet application,
33 15 and the institute of decision making, including salaries,
33 16 support, maintenance, miscellaneous purposes, and for not more
33 17 than the following full-time equivalent positions:

33 18 \$ 287,358
33 19 FTEs 6.75

33 20 2. Of the moneys appropriated pursuant to subsection 1, the
33 21 university of northern iowa shall allocate at least \$58,820 for
33 22 purposes of support of entrepreneurs through the university's
33 23 regional business center.

33 24 3. The university of northern iowa shall do all of the
33 25 following:

33 26 a. Direct expenditures for research toward projects that
33 27 will provide economic stimulus for iowa.

33 28 b. Provide emphasis to providing services to iowa-based
33 29 companies.

33 30 4. Notwithstanding section 8.33, moneys appropriated in
33 31 this section that remain unencumbered or unobligated at the
33 32 close of the fiscal year shall not revert but shall remain
33 33 available for expenditure for the purposes designated until the
33 34 close of the succeeding fiscal year.

33 35 Sec. 60. BOARD OF REGENTS REPORT. The state board of
34 1 regents shall submit a report on the progress of regents
34 2 institutions in meeting the strategic plan for technology
34 3 transfer and economic development to the secretary of the
34 4 senate, the chief clerk of the house of representatives, and
34 5 the legislative services agency by January 15, 2013.

34 6 Sec. 61. DEPARTMENT OF WORKFORCE DEVELOPMENT. There
34 7 is appropriated from the general fund of the state to the
34 8 department of workforce development for the fiscal year
34 9 beginning July 1, 2012, and ending June 30, 2013, the following
34 10 amounts, or so much thereof as is necessary, for the purposes
34 11 designated:

34 12 1. DIVISION OF LABOR SERVICES

34 13 a. For the division of labor services, including salaries,
34 14 support, maintenance, miscellaneous purposes, and for not more
34 15 than the following full-time equivalent positions:

34 16 \$ 1,747,720
34 17 FTEs 64.00

34 18 b. From the contractor registration fees, the division of
34 19 labor services shall reimburse the department of inspections
34 20 and appeals for all costs associated with hearings under
34 21 chapter 91C, relating to contractor registration.

34 22 2. DIVISION OF WORKERS' COMPENSATION

34 23 a. For the division of workers' compensation, including
34 24 salaries, support, maintenance, miscellaneous purposes, and for
34 25 not more than the following full-time equivalent positions:

34 26 \$ 1,474,522
34 27 FTEs 30.00

34 28 b. The division of workers' compensation shall charge a
34 29 \$100 filing fee for workers' compensation cases. The filing
34 30 fee shall be paid by the petitioner of a claim. However, the
34 31 fee can be taxed as a cost and paid by the losing party, except

34 32 in cases where it would impose an undue hardship or be unjust
34 33 under the circumstances. The moneys generated by the filing
34 34 fee allowed under this subsection are appropriated to the
34 35 department of workforce development to be used for purposes of
35 1 administering the division of workers' compensation.

35 2 3. WORKFORCE DEVELOPMENT OPERATIONS

35 3 a. For the operation of field offices, the workforce
35 4 development board, and for not more than the following
35 5 full-time equivalent positions:
35 6 \$ 4,335,676
35 7 FTEs 130.00

35 8 b. Of the moneys appropriated in paragraph "a" of this
35 9 subsection, the department shall allocate \$4,330,240 for the
35 10 operation of field offices.

35 11 c. The department shall not reduce the number of field
35 12 offices below the number of field offices being operated as of
35 13 January 1, 2009.

35 14 4. OFFENDER REENTRY PROGRAM

35 15 a. For the development and administration of an offender
35 16 reentry program to provide offenders with employment skills,
35 17 and for not more than the following full-time equivalent
35 18 positions:
35 19 \$ 142,232
35 20 FTEs 3.00

35 21 b. The department shall partner with the department of
35 22 corrections to provide staff within the correctional facilities
35 23 to improve offenders' abilities to find and retain productive
35 24 employment.

35 25 5. DEFINITIONS

35 26 For purposes of this section:

35 27 a. "Field office" means a satellite office of a workforce
35 28 development center through which the workforce development
35 29 center maintains a physical presence in a county as described
35 30 in section 84B.2. For purposes of this paragraph, a workforce
35 31 development center maintains a physical presence in a county
35 32 if the center employs a staff person. "Field office" does
35 33 not include the presence of a workforce development center
35 34 maintained by electronic means.

35 35 b. "Workforce development center" means a center at
36 1 which state and federal employment and training programs are
36 2 colocated and at which services are provided at a local level
36 3 as described in section 84B.1.

36 4 6. NONREVERSION

36 5 Notwithstanding section 8.33, moneys appropriated in this
36 6 section that remain unencumbered or unobligated at the close of
36 7 the fiscal year shall not revert but shall remain available for
36 8 expenditure for the purposes designated until the close of the
36 9 succeeding fiscal year.

36 10 Sec. 62. ACCOUNTABILITY — AUDIT. The auditor of state

36 11 shall annually conduct an audit of the department of workforce
36 12 development and shall report the findings of such annual
36 13 audit, including the accountability of programs of the
36 14 department, to the chairpersons and ranking members of the
36 15 joint appropriations subcommittee on economic development. The
36 16 department shall pay for the costs associated with the audit.

36 17 Sec. 63. EMPLOYMENT SECURITY CONTINGENCY FUND.

36 18 1. There is appropriated from the special employment
36 19 security contingency fund to the department of workforce
36 20 development for the fiscal year beginning July 1, 2012, and
36 21 ending June 30, 2013, the following amount, or so much thereof
36 22 as is necessary, to be used for field offices:

36 23 \$ 608,542

36 24 2. Any remaining additional penalty and interest revenue
36 25 collected by the department of workforce development is
36 26 appropriated to the department for the fiscal year beginning
36 27 July 1, 2012, and ending June 30, 2013, to accomplish the
36 28 mission of the department.

36 29 Sec. 64. UNEMPLOYMENT COMPENSATION RESERVE FUND —

36 30 FIELD OFFICES. Notwithstanding section 96.9, subsection 8,
36 31 paragraph "e", there is appropriated from interest earned on
36 32 the unemployment compensation reserve fund to the department
36 33 of workforce development for the fiscal year beginning July 1,
36 34 2012, and ending June 30, 2013, the following amount or so much
36 35 thereof as is necessary, for the purposes designated:

37 1 For the operation of field offices:

37 2 \$ 1,200,000

37 3 Sec. 65. GENERAL FUND — EMPLOYEE MISCLASSIFICATION

37 4 PROGRAM. There is appropriated from the general fund of the
37 5 state to the department of workforce development for the fiscal
37 6 year beginning July 1, 2012, and ending June 30, 2013, the
37 7 following amount, or so much thereof as is necessary, to be
37 8 used for the purposes designated:

37 9 For enhancing efforts to investigate employers that
37 10 misclassify workers and for not more than the following
37 11 full-time equivalent positions:

37 12 \$ 225,729

37 13 FTEs 8.10

37 14 Sec. 66. APPROPRIATIONS RESTRICTED. The department

37 15 of workforce development shall not use any of the moneys
37 16 appropriated in this division of this Act for purposes of the
37 17 national career readiness certificate program.

37 18 Sec. 67. IOWA FINANCE AUTHORITY.

37 19 1. There is appropriated from the general fund of the state
37 20 to the Iowa finance authority for the fiscal year beginning
37 21 July 1, 2012, and ending June 30, 2013, the following amount,
37 22 or so much thereof as is necessary, to be used to provide
37 23 reimbursement for rent expenses to eligible persons under the
37 24 rent subsidy program:

37 25 \$ 329,000

37 26 2. Participation in the rent subsidy program shall be
37 27 limited to only those persons who meet the requirements for the
37 28 nursing facility level of care for home and community-based
37 29 services waiver services as in effect on July 1, 2011, and
37 30 to those individuals who are eligible for the federal money
37 31 follows the person grant program under the medical assistance
37 32 program. Of the moneys appropriated in this section, not more
37 33 than \$35,000 may be used for administrative costs.

37 34 Sec. 68. IOWA FINANCE AUTHORITY AUDIT. The auditor of state
37 35 is requested to review the audit of the Iowa finance authority
38 1 performed by the auditor hired by the authority.

38 2 Sec. 69. PUBLIC EMPLOYMENT RELATIONS BOARD.

38 3 1. There is appropriated from the general fund of the state
38 4 to the public employment relations board for the fiscal year
38 5 beginning July 1, 2012, and ending June 30, 2013, the following
38 6 amount, or so much thereof as is necessary, for the purposes
38 7 designated:

38 8 For salaries, support, maintenance, miscellaneous purposes,
38 9 and for not more than the following full-time equivalent
38 10 positions:

38 11 \$ 528,936

38 12 FTEs 10.00

38 13 2. Of the moneys appropriated in this section, the board
38 14 shall allocate \$15,000 for maintaining a website that allows
38 15 searchable access to a database of collective bargaining
38 16 information.

38 17 Sec. 70. UNEMPLOYMENT COMPENSATION PROGRAM. Notwithstanding
38 18 section 96.9, subsection 4, paragraph "a", moneys credited to
38 19 the state by the secretary of the treasury of the United
38 20 States pursuant to section 903 of the Social Security
38 21 Act are appropriated to the department of workforce
38 22 development and shall be used by the department for the
38 23 administration of the unemployment compensation program only.
38 24 This appropriation shall not apply to any fiscal year
38 25 beginning after December 31, 2012.

38 26 DIVISION V
38 27 CONDITIONAL EFFECTIVE DATE
38 28 AND RETROACTIVE APPLICABILITY

38 29 Sec. 71. EFFECTIVE DATE AND RETROACTIVE
38 30 APPLICABILITY. Unless otherwise provided, this Act, if
38 31 approved by the governor on or after July 1, 2011, takes effect
38 32 upon enactment and applies retroactively to July 1, 2011.

Unless otherwise provided for, if approved by the Governor on or after July 1, 2011, this Act is effective on enactment and retroactive to July 1, 2011.

Summary Data

General Fund

	Estimated Net FY 2011 (1)	Final Action FY 2012 (2)	Item Veto FY 2012 (3)	Net Final FY 2012 (4)	Net Final vs. Est Net (5)	Final Action FY 2013 (6)	Item Veto FY 2013 (7)	Net Final FY 2013 (8)	FY 2013 vs FY 2012 (9)
Economic Development	\$ 38,156,630	\$ 36,212,425	\$ 0	\$ 36,212,425	\$ -1,944,205	\$ 18,106,216	\$ 0	\$ 18,106,216	\$ -18,106,209
Grand Total	<u>\$ 38,156,630</u>	<u>\$ 36,212,425</u>	<u>\$ 0</u>	<u>\$ 36,212,425</u>	<u>\$ -1,944,205</u>	<u>\$ 18,106,216</u>	<u>\$ 0</u>	<u>\$ 18,106,216</u>	<u>\$ -18,106,209</u>

Economic Development General Fund

	Estimated Net FY 2011	Final Action FY 2012	Item Veto FY 2012	Net Final FY 2012	Net Final vs. Est Net (5)	Final Action FY 2013	Item Veto FY 2013	Net Final FY 2013	FY 2013 vs FY 2012	Page and Line #
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Cultural Affairs, Dept. of										
Cultural Affairs, Dept. of										
Administration Division	\$ 193,418	\$ 171,813	\$ 0	\$ 171,813	\$ -21,605	\$ 85,907	\$ 0	\$ 85,907	\$ -85,906	PG 2 LN 3
Community Cultural Grants	273,500	172,090	0	172,090	-101,410	86,045	0	86,045	-86,045	PG 2 LN 16
Historical Division	2,944,363	2,767,701	0	2,767,701	-176,662	1,383,851	0	1,383,851	-1,383,850	PG 2 LN 20
Historic Sites	453,615	426,398	0	426,398	-27,217	213,199	0	213,199	-213,199	PG 2 LN 23
Arts Division	993,366	933,764	0	933,764	-59,602	466,882	0	466,882	-466,882	PG 2 LN 26
Great Places	206,195	150,000	0	150,000	-56,195	75,000	0	75,000	-75,000	PG 2 LN 29
Archiving Former Governor's Papers	70,142	65,933	0	65,933	-4,209	32,967	0	32,967	-32,966	PG 2 LN 33
Records Center Rent	227,243	227,243	0	227,243	0	113,622	0	113,622	-113,621	PG 3 LN 1
Battle Flag Stabilization	0	60,000	0	60,000	60,000	30,000	0	30,000	-30,000	PG 3 LN 4
Total Cultural Affairs, Dept. of	\$ 5,361,842	\$ 4,974,942	\$ 0	\$ 4,974,942	\$ -386,900	\$ 2,487,473	\$ 0	\$ 2,487,473	\$ -2,487,469	
Economic Development, Dept. of										
Economic Development, Dept. of										
Economic Dev. Administration	\$ 1,669,019	\$ 9,783,424	\$ 0	\$ 9,783,424	\$ 8,114,405	\$ 4,891,712	\$ 0	\$ 4,891,712	\$ -4,891,712	PG 4 LN 13
Business Development	4,779,918	0	0	0	-4,779,918	0	0	0	0	
Community Development Division	4,478,966	0	0	0	-4,478,966	0	0	0	0	
World Food Prize	650,000	500,000	0	500,000	-150,000	250,000	0	250,000	-250,000	PG 6 LN 22
Main Street Grants	165,775	0	0	0	-165,775	0	0	0	0	
Iowa Comm. Volunteer Ser.-Promise	109,716	178,133	0	178,133	68,417	89,067	0	89,067	-89,066	PG 6 LN 27
Total Economic Development, Dept. of	\$ 11,853,394	\$ 10,461,557	\$ 0	\$ 10,461,557	\$ -1,391,837	\$ 5,230,779	\$ 0	\$ 5,230,779	\$ -5,230,778	
Regents, Board of										
Regents, Board of										
ISU - Economic Development	\$ 2,575,983	\$ 2,424,302	\$ 0	\$ 2,424,302	\$ -151,681	\$ 1,212,151	\$ 0	\$ 1,212,151	\$ -1,212,151	PG 8 LN 25
SUI - Economic Development	222,372	209,279	0	209,279	-13,093	104,640	0	104,640	-104,639	PG 10 LN 6
UNI - Economic Development	610,674	574,716	0	574,716	-35,958	287,358	0	287,358	-287,358	PG 10 LN 29
Total Regents, Board of	\$ 3,409,029	\$ 3,208,297	\$ 0	\$ 3,208,297	\$ -200,732	\$ 1,604,149	\$ 0	\$ 1,604,149	\$ -1,604,148	

Economic Development General Fund

	Estimated Net FY 2011 (1)	Final Action FY 2012 (2)	Item Veto FY 2012 (3)	Net Final FY 2012 (4)	Net Final vs. Est Net (5)	Final Action FY 2013 (6)	Item Veto FY 2013 (7)	Net Final FY 2013 (8)	FY 2013 vs FY 2012 (9)	Page and Line # (10)
<u>Iowa Workforce Development</u>										
Iowa Workforce Development										
IWD - Labor Services Division	\$ 3,139,752	\$ 3,495,440	\$ 0	\$ 3,495,440	\$ 355,688	\$ 1,747,720	\$ 0	\$ 1,747,720	\$ -1,747,720	PG 11 LN 33
IWD - Workers' Comp Division	2,412,540	2,949,044	0	2,949,044	536,504	1,474,522	0	1,474,522	-1,474,522	PG 12 LN 8
IWD Operations - Field Offices	10,326,640	8,671,352	0	8,671,352	-1,655,288	4,335,676	0	4,335,676	-4,335,676	PG 12 LN 23
Offender Reentry Program	302,621	284,464	0	284,464	-18,157	142,232	0	142,232	-142,232	PG 12 LN 35
Security Employee Training Program	12,711	0	0	0	-12,711	0	0	0	0	
Employee Misclassification	480,274	451,458	0	451,458	-28,816	225,729	0	225,729	-225,729	PG 14 LN 23
Total Iowa Workforce Development	\$ 16,674,538	\$ 15,851,758	\$ 0	\$ 15,851,758	\$ -822,780	\$ 7,925,879	\$ 0	\$ 7,925,879	\$ -7,925,879	
<u>Iowa Finance Authority</u>										
Iowa Finance Authority										
Rent Subsidy Program	\$ 0	\$ 658,000	\$ 0	\$ 658,000	\$ 658,000	\$ 329,000	\$ 0	\$ 329,000	\$ -329,000	PG 15 LN 4
Total Iowa Finance Authority	\$ 0	\$ 658,000	\$ 0	\$ 658,000	\$ 658,000	\$ 329,000	\$ 0	\$ 329,000	\$ -329,000	
<u>Public Employment Relations Board</u>										
Public Employment Relations										
PER Board - General Office	\$ 857,827	\$ 1,057,871	\$ 0	\$ 1,057,871	\$ 200,044	\$ 528,936	\$ 0	\$ 528,936	\$ -528,936	PG 15 LN 23
Total Public Employment Relations Board	\$ 857,827	\$ 1,057,871	\$ 0	\$ 1,057,871	\$ 200,044	\$ 528,936	\$ 0	\$ 528,936	\$ -528,936	
Total Economic Development	\$ 38,156,630	\$ 36,212,425	\$ 0	\$ 36,212,425	\$ -1,944,205	\$ 18,106,216	\$ 0	\$ 18,106,216	\$ -18,106,209	

Summary Data Other Fund

	Estimated Net FY 2011 (1)	Final Action FY 2012 (2)	Item Veto FY 2012 (3)	Net Final FY 2012 (4)	Net Final vs. Est Net (5)	Final Action FY 2013 (6)	Item Veto FY 2013 (7)	Net Final FY 2013 (8)	FY 2013 vs FY 2012 (9)
Economic Development	\$ 16,998,427	\$ 12,705,344	\$ -3,250,000	\$ 9,455,344	\$ -7,543,083	\$ 3,808,542	\$ 0	\$ 3,808,542	\$ -5,646,802
Grand Total	<u>\$ 16,998,427</u>	<u>\$ 12,705,344</u>	<u>\$ -3,250,000</u>	<u>\$ 9,455,344</u>	<u>\$ -7,543,083</u>	<u>\$ 3,808,542</u>	<u>\$ 0</u>	<u>\$ 3,808,542</u>	<u>\$ -5,646,802</u>

Economic Development Other Fund

	Estimated Net FY 2011 (1)	Final Action FY 2012 (2)	Item Veto FY 2012 (3)	Net Final FY 2012 (4)	Net Final vs. Est Net (5)	Final Action FY 2013 (6)	Item Veto FY 2013 (7)	Net Final FY 2013 (8)	FY 2013 vs FY 2012 (9)	Page and Line # (10)
<u>Economic Development, Dept. of</u>										
<u>Economic Development, Dept. of</u>										
Workforce Development Fund	\$ 4,000,000	\$ 4,000,000	\$ 0	\$ 4,000,000	\$ 0	\$ 2,000,000	\$ 0	\$ 2,000,000	\$ -2,000,000	PG 7 LN 27
Taiwan Trade Office - UST	100,000	0	0	0	-100,000	0	0	0	0	
Site Development Consultations - SIF	175,000	0	0	0	-175,000	0	0	0	0	
Small Bus Assistance Website - SIF	20,000	0	0	0	-20,000	0	0	0	0	
Save Our Small Businesses Fund - SIF	5,000,000	0	0	0	-5,000,000	0	0	0	0	
Endow Iowa Admin - County Endw Fund	70,000	0	0	0	-70,000	0	0	0	0	
Total Economic Development, Dept. of	\$ 9,365,000	\$ 4,000,000	\$ 0	\$ 4,000,000	\$ -5,365,000	\$ 2,000,000	\$ 0	\$ 2,000,000	\$ -2,000,000	
<u>Iowa Workforce Development</u>										
<u>Iowa Workforce Development</u>										
Workers' Comp Div - Spec Cont Fund	\$ 471,000	\$ 0	\$ 0	\$ 0	\$ -471,000	\$ 0	\$ 0	\$ 0	\$ 0	
IWD Field Offices (P and I)	662,427	1,217,084	0	1,217,084	554,657	608,542	0	608,542	-608,542	PG 14 LN 3
IWD Field Offices (UI Reserve Interest)	6,500,000	4,238,260	0	4,238,260	-2,261,740	1,200,000	0	1,200,000	-3,038,260	PG 14 LN 14
IWD Field Offices (Save Our Small Business)	0	3,250,000	-3,250,000	0	0	0	0	0	0	PG 16 LN 24
Total Iowa Workforce Development	\$ 7,633,427	\$ 8,705,344	\$ -3,250,000	\$ 5,455,344	\$ -2,178,083	\$ 1,808,542	\$ 0	\$ 1,808,542	\$ -3,646,802	
Total Economic Development	\$ 16,998,427	\$ 12,705,344	\$ -3,250,000	\$ 9,455,344	\$ -7,543,083	\$ 3,808,542	\$ 0	\$ 3,808,542	\$ -5,646,802	

Summary Data

FTE

	Estimated Net FY 2011 (1)	Final Action FY 2012 (2)	Item Veto FY 2012 (3)	Net Final FY 2012 (4)	Net Final vs. Est Net (5)	Final Action FY 2013 (6)	Item Veto FY 2013 (7)	Net Final FY 2013 (8)	FY 2013 vs FY 2012 (9)
Economic Development	566.04	551.23	0.00	551.23	-14.81	551.23	0.00	551.23	0.00
Grand Total	<u>566.04</u>	<u>551.23</u>	<u>0.00</u>	<u>551.23</u>	<u>-14.81</u>	<u>551.23</u>	<u>0.00</u>	<u>551.23</u>	<u>0.00</u>

Economic Development FTE

	Estimated Net FY 2011 (1)	Final Action FY 2012 (2)	Item Veto FY 2012 (3)	Net Final FY 2012 (4)	Net Final vs. Est Net (5)	Final Action FY 2013 (6)	Item Veto FY 2013 (7)	Net Final FY 2013 (8)	FY 2013 vs FY 2012 (9)	Page and Line # (10)
<u>Cultural Affairs, Dept. of</u>										
<u>Cultural Affairs, Dept. of</u>										
Administration Division	1.25	74.50	0.00	74.50	73.25	74.50	0.00	74.50	0.00	PG 2 LN 3
Historical Division	46.49	0.00	0.00	0.00	-46.49	0.00	0.00	0.00	0.00	PG 2 LN 20
Historic Sites	6.00	0.00	0.00	0.00	-6.00	0.00	0.00	0.00	0.00	PG 2 LN 23
Arts Division	10.00	0.00	0.00	0.00	-10.00	0.00	0.00	0.00	0.00	PG 2 LN 26
Great Places	2.12	0.00	0.00	0.00	-2.12	0.00	0.00	0.00	0.00	PG 2 LN 29
Archiving Former Governor's Papers	0.81	0.00	0.00	0.00	-0.81	0.00	0.00	0.00	0.00	PG 2 LN 33
Total Cultural Affairs, Dept. of	66.67	74.50	0.00	74.50	7.83	74.50	0.00	74.50	0.00	
<u>Economic Development, Dept. of</u>										
<u>Economic Development, Dept. of</u>										
Economic Dev. Administration	19.20	149.00	0.00	149.00	129.80	149.00	0.00	149.00	0.00	PG 4 LN 13
Business Development	44.85	0.00	0.00	0.00	-44.85	0.00	0.00	0.00	0.00	
Community Development Division	63.65	0.00	0.00	0.00	-63.65	0.00	0.00	0.00	0.00	
Iowa State Commission	6.00	7.00	0.00	7.00	1.00	7.00	0.00	7.00	0.00	PG 6 LN 33
Vision Iowa Program	2.25	2.25	0.00	2.25	0.00	2.25	0.00	2.25	0.00	PG 7 LN 8
Workforce Development Admin	4.00	4.00	0.00	4.00	0.00	4.00	0.00	4.00	0.00	PG 7 LN 34
Total Economic Development, Dept. of	139.95	162.25	0.00	162.25	22.30	162.25	0.00	162.25	0.00	
<u>Regents, Board of</u>										
<u>Regents, Board of</u>										
ISU - Economic Development	56.63	56.63	0.00	56.63	0.00	56.63	0.00	56.63	0.00	PG 8 LN 25
SUI - Economic Development	6.00	6.00	0.00	6.00	0.00	6.00	0.00	6.00	0.00	PG 10 LN 6
UNI - Economic Development	6.75	6.75	0.00	6.75	0.00	6.75	0.00	6.75	0.00	PG 10 LN 29
Total Regents, Board of	69.38	69.38	0.00	69.38	0.00	69.38	0.00	69.38	0.00	

Economic Development FTE

	Estimated Net FY 2011 (1)	Final Action FY 2012 (2)	Item Veto FY 2012 (3)	Net Final FY 2012 (4)	Net Final vs. Est Net (5)	Final Action FY 2013 (6)	Item Veto FY 2013 (7)	Net Final FY 2013 (8)	FY 2013 vs FY 2012 (9)	Page and Line # (10)
<u>Iowa Workforce Development</u>										
Iowa Workforce Development										
IWD - Labor Services Division	62.75	64.00	0.00	64.00	1.25	64.00	0.00	64.00	0.00	PG 11 LN 33
IWD - Workers' Comp Division	29.00	30.00	0.00	30.00	1.00	30.00	0.00	30.00	0.00	PG 12 LN 8
Field Office Operating Fund	174.19	130.00	0.00	130.00	-44.19	130.00	0.00	130.00	0.00	PG 12 LN 27
Offender Reentry Program	3.00	3.00	0.00	3.00	0.00	3.00	0.00	3.00	0.00	PG 12 LN 35
Employee Misclassification	9.10	8.10	0.00	8.10	-1.00	8.10	0.00	8.10	0.00	PG 14 LN 23
Total Iowa Workforce Development	278.04	235.10	0.00	235.10	-42.94	235.10	0.00	235.10	0.00	
<u>Public Employment Relations Board</u>										
Public Employment Relations										
PER Board - General Office	12.00	10.00	0.00	10.00	-2.00	10.00	0.00	10.00	0.00	PG 15 LN 23
Total Public Employment Relations Board	12.00	10.00	0.00	10.00	-2.00	10.00	0.00	10.00	0.00	
Total Economic Development	566.04	551.23	0.00	551.23	-14.81	551.23	0.00	551.23	0.00	