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SENATE FILE **463**
BY COMMITTEE ON APPROPRIATIONS
(SUCCESSOR TO SSB 345)

WITHDRAWN
4-12-95

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act appropriating funds to the department of economic
2 development, the Iowa finance authority, the Wallace
3 technology transfer foundation, division of insurance of the
4 department of commerce, the public employment relations board,
5 the Iowa seed capital corporation, the international
6 development foundation, and the department of employment
7 services and making related statutory changes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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WITHDRAWN

S.F. 463

1 Section 1. There is appropriated from the general fund of
2 the state and other designated funds to the department of
3 economic development for the fiscal year beginning July 1,
4 1995, and ending June 30, 1996, on the condition that the
5 department shall not use any moneys appropriated under this
6 Act for further expansion of industrial site locator programs
7 until the industrial site locator program at the university of
8 northern Iowa is completed and fully implemented and the
9 department and the university have reported to the general
10 assembly on plans for coordination and cooperation between the
11 department and the university, including access by the
12 department to the database and technology of the university
13 program, the following amounts, or so much thereof as is
14 necessary, to be used for the purposes designated:

15 1. ADMINISTRATIVE SERVICES DIVISION

16 a. General administration

17 For salaries, support, maintenance, miscellaneous purposes,
18 for providing that a business receiving moneys from the
19 department for the purpose of job creation shall make
20 available ten percent of the new jobs created for promise jobs
21 program participants, who are qualified for the jobs and for
22 allocating \$50,000 for regulatory assistance programs:

23	\$	900,000
24	FTEs	21.00

25 The director shall coordinate efforts with the workforce
26 coordinator to implement the intent of the general assembly
27 regarding businesses receiving job creation moneys and shall
28 report to the joint economic development appropriations
29 subcommittee regarding the number of jobs to be created by
30 each business, the number of qualified promise jobs
31 participants applying with the business, and the number of
32 promise jobs participants hired.

33 b. Primary research and computer center

34 For salaries, support, maintenance, miscellaneous purposes,
35 and for not more than the following full-time equivalent

1 positions:

2 \$ 300,000
3 FTEs 5.50

4 2. BUSINESS DEVELOPMENT DIVISION

5 a. Business development operations

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

9 \$ 2,950,000
10 FTEs 16.00

11 b. Small business programs

12 For salaries, support, maintenance, miscellaneous purposes,
13 and for not more than the following full-time equivalent
14 positions for the small business program, the small business
15 advisory council, targeted small business program, business
16 incubators, for providing 1.00 FTE for the targeted small
17 business compliance officer who shall continue to work jointly
18 with the department of management:

19 \$ 370,000
20 FTEs 6.50

21 c. Federal procurement office

22 For salaries, support, maintenance, miscellaneous purposes,
23 providing for the assessment of charges to businesses
24 benefitting from the services provided by the federal
25 procurement office, and for not more than the following full-
26 time equivalent positions:

27 \$ 90,000
28 FTEs 3.00

29 Notwithstanding section 8.33, moneys remaining unencumbered
30 or unobligated on June 30, 1996, shall not revert and shall be
31 available for expenditure during the fiscal year beginning
32 July 1, 1996, for the same purposes.

33 d. Strategic investment fund

34 For deposit in the strategic investment fund for salaries,
35 support, and for not more than the following full-time

1 equivalent positions:

2	\$	5,000,000
3	FTEs	10.00

4 e. Targeted small business incubator
 5 Moneys appropriated for fiscal year 1995 and not expended
 6 by June 30, 1995, shall not revert but shall be held by the
 7 department for funding, with local matching funds, the
 8 targeted small business incubator in Des Moines for the fiscal
 9 year beginning July 1, 1995, and ending June 30, 1996.

10 f. Insurance economic development
 11 There is appropriated from moneys collected by the division
 12 of insurance in excess of the anticipated gross revenues under
 13 section 505.7, subsection 3, to the department for the fiscal
 14 year beginning July 1, 1995, and ending June 30, 1996, the
 15 following amount, or so much thereof as is necessary, for
 16 insurance economic development and international insurance
 17 economic development:

18	\$	200,000
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19 3. COMMUNITY AND RURAL DEVELOPMENT DIVISION

20 a. Community assistance
 21 For salaries, support, maintenance, miscellaneous purposes,
 22 and for not more than the following full-time equivalent
 23 positions for administration of the community economic
 24 preparedness program, the Iowa community betterment program,
 25 and the city development board, and for allocating \$50,000 for
 26 the junior olympics:

27	\$	615,000
28	FTEs	7.50

29 b. Main street/rural main street program
 30 For salaries and support for not more than the following
 31 full-time equivalent positions provided that preference be
 32 given to cities with a population of under 30,000:

33	\$	379,000
34	FTEs	3.00

35 Notwithstanding section 8.33, moneys committed to grantees

1 under contract from the general fund of the state that remain
2 unexpended on June 30 of the fiscal year shall not revert to
3 any fund but shall be available for expenditure for purposes
4 of the contract during the succeeding fiscal year.

5 c. Rural development program

6 For salaries, support, maintenance, miscellaneous purposes,
7 for not more than the following full-time equivalent positions
8 for rural resource coordination, rural community leadership,
9 the rural enterprise fund, and for \$100,000 to be allocated
10 competitively to ten to twenty communities for direct purchase
11 of services or goods that meet local development needs or to
12 enhance heritage and tourism efforts from state and private
13 sources:

14	\$	629,000
15	FTEs	4.50

16 There is also appropriated from the rural community 2000
17 program revolving fund established in section 15.287 to the
18 rural development program for the purposes of the program
19 including the rural enterprise fund and collaborative skills
20 development training:

21	\$	226,000
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22 Notwithstanding section 8.33, moneys committed to grantees
23 under contract from the general fund of the state or through
24 transfers from the Iowa community development loan fund or
25 from the rural community 2000 program revolving fund that
26 remain unexpended at the end of the fiscal year shall not
27 revert but shall be available for expenditure for purposes of
28 the contract during the succeeding fiscal year.

29 d. Community development block grant and HOME

30 For administration and related federal housing and urban
31 development grant administration for salaries, support,
32 maintenance, miscellaneous purposes, and for not more than the
33 following full-time equivalent positions:

34	\$	390,000
35	FTEs	18.76

1 e. Community voice mail program
2 For a community voice mail program for homeless or
3 emergency shelters, to be coordinated with the Iowa finance
4 authority:
5 \$ 10,000

6 f. Councils of governments
7 There is appropriated from the rural community 2000 program
8 revolving fund established in section 15.287 to provide to
9 Iowa's councils of governments funds for planning and
10 technical assistance funds to assist local governments to
11 develop community development strategies for addressing long-
12 term and short-term community needs:
13 \$ 178,000

14 4. INTERNATIONAL DIVISION

15 a. International trade operations
16 For conducting foreign trade missions on behalf of Iowa
17 businesses, salaries, support, maintenance, miscellaneous
18 purposes, and for not more than the following full-time
19 equivalent positions:
20 \$ 725,000
21 FTEs 6.00

22 b. Foreign trade offices
23 For salaries, support, maintenance, miscellaneous purposes,
24 and for not more than the following full-time equivalent
25 positions:
26 \$ 565,000

27 c. Export trade assistance program
28 For export trade activities, including the establishment by
29 the department of a fee schedule sufficient to fund the
30 program at an adequate level and a program to encourage and
31 increase participation in trade shows and trade missions by
32 providing financial assistance to businesses for a percentage
33 of their costs of participating in trade shows and trade
34 missions, by providing for the lease/sublease of showcase
35 space in existing world trade centers, by providing temporary

1 office space for foreign buyers, international prospects, and
2 potential reverse investors, and by providing other
3 promotional and assistance activities, provided that the
4 department shall consult with the department of agriculture
5 and land stewardship prior to allocating export trade
6 assistance program moneys, including salaries and support for
7 not more than the following full-time equivalent positions:

8	\$	200,000
9	FTEs	0.25

10 d. Agricultural product advisory council

11 For support, maintenance, and miscellaneous purposes:

12	\$	1,330
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13 e. For transfer to the partner state program which the
14 department may use to contract with private groups or
15 organizations which are the most appropriate to administer
16 this program and the groups and organizations participating in
17 the program shall, to the fullest extent possible, provide the
18 funds to match the appropriation made in this subsection of
19 the funds transferred:

20	\$	50,000
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21 5. TOURISM DIVISION

22 a. Tourism operations and film office

23 For salaries, support, maintenance, miscellaneous purposes,
24 and for not more than the following full-time equivalent
25 positions, provided that the appropriation shall not be used
26 for advertising placements for in-state and out-of-state
27 tourism marketing:

28	\$	875,000
29	FTEs	19.27

30 b. Tourism advertising

31 For contracting exclusively for tourism advertising for in-
32 state and out-of-state tourism marketing services, tourism
33 promotion programs, electronic media, print media, and printed
34 materials and for allocating \$400,000 for advertising for the
35 sesquicentennial:

1 \$ 2,787,000

2 The department shall not use the moneys appropriated in
3 this lettered paragraph, except the \$400,000 allocated for
4 sesquicentennial advertising, unless the department develops
5 public-private partnerships with Iowa businesses in the
6 tourism industry, Iowa tour groups, Iowa tourism
7 organizations, and political subdivisions in this state to
8 assist in the development of advertising efforts. The
9 department shall, to the fullest extent possible, develop
10 cooperative efforts for advertising with contributions from
11 other sources.

12 c. Welcome center program

13 To implement the recommendations of the statewide long-
14 range plan for developing and operating welcome centers
15 throughout the state:

16 \$ 240,000

17 6. WORKFORCE DEVELOPMENT DIVISION

18 a. Youth work force programs

19 For purposes of the conservation corps, including salary,
20 support, maintenance, miscellaneous purposes, and for not more
21 than the following full-time equivalent positions:

22 \$ 952,000
23 FTEs 2.40

24 Notwithstanding section 8.33, moneys committed to grantees
25 under contract that remain unexpended on June 30 of the fiscal
26 year shall not revert to any fund but shall be available for
27 expenditure for purposes of the contract during the succeeding
28 fiscal year.

29 b. There is appropriated from the rural community 2000
30 program revolving fund established in section 15.287 to the
31 community college job training fund created in section 260F.6,
32 subsection 1, \$225,000. It is the intent of the general
33 assembly that up to \$101,894 of all funds appropriated to the
34 program and some or all of the full-time equivalent positions
35 may be used for the administration of the Iowa small business

1 new jobs training Act.

2 c. Workforce investment program

3 For allocating \$450,000 for funding, to the extent
4 possible, the currently existing high technology
5 apprenticeship programs under section 260C.44 at the community
6 colleges, and for the purposes of the workforce investment
7 program, for a competitive grant program by the department in
8 consultation with the state job training coordinating council
9 for projects that increase Iowa's pool of available labor via
10 training and support services with priority given to projects
11 which serve displaced homemakers or welfare recipients,
12 including salaries and support for not more than the following
13 full-time equivalent positions:

14	\$	928,000
15	FTEs	0.90

16 The department shall ensure that the workforce investment
17 program is coordinated with services provided under the
18 federal Job Training Partnership Act and that welfare
19 recipients receive priority for services under both programs.

20 Notwithstanding section 8.33, moneys committed to grantees
21 under contract that remain unexpended at the end of the fiscal
22 year shall not revert to any fund but shall be available for
23 expenditure for purposes of the contract during the succeeding
24 fiscal year.

25 d. Labor management councils

26 For salaries, support, maintenance, miscellaneous purposes,
27 and for not more than the following full-time equivalent
28 positions:

29	\$	114,000
30	FTEs	0.50

31 The department shall not use moneys appropriated in this
32 lettered paragraph for grants to grantees who do not
33 facilitate the active participation of labor as members of
34 labor management councils or who fail to make a good faith
35 effort to either schedule meetings during nonworking hours or

1 obtain voluntary agreements with employers to allow employees
2 time off to attend labor management council meetings with no
3 loss of pay or other benefits.

4 Notwithstanding section 8.33, moneys committed to grantees
5 under contract that remain unexpended on June 30 of the fiscal
6 year shall not revert to any fund but shall be available for
7 expenditure for purposes of the contract during the succeeding
8 fiscal year.

9 Sec. 2. Notwithstanding section 15E.120, subsections 5, 6,
10 and 7, and section 15.287, there is appropriated from the Iowa
11 community development loan fund all the moneys available
12 during the fiscal year beginning July 1, 1995, and ending June
13 30, 1996, to the department of economic development for the
14 rural development program to be used by the department for the
15 purposes of the program.

16 Sec. 3. Notwithstanding section 15.251, subsection 2,
17 there is appropriated from the job training fund created in
18 the office of the treasurer of state to the department of
19 economic development for the fiscal year beginning July 1,
20 1995, and ending June 30, 1996, the following amounts, or so
21 much thereof as is necessary, to be used for the purposes
22 designated:

23 1. For administration of chapter 260E, including salaries,
24 support, maintenance, miscellaneous purposes, and for not more
25 than the following full-time equivalent positions:

26	\$	160,000
27	FTEs	2.40

28 2. For the target alliance program:
29

30 Sec. 4. There is appropriated from the general fund of the
31 state to the Wallace technology transfer foundation for the
32 fiscal year beginning July 1, 1995, and ending June 30, 1996,
33 the following amount, or so much thereof as is necessary, to
34 be used for the purposes designated:

35 For salaries, support, maintenance, and other operational

1 purposes, for administering the industrial technology access
2 program, for approving and submitting to the governor and
3 general assembly not later than January 15 an annual report
4 relating to performance goals of and efforts by the foundation
5 to improve the modernization of industrial facilities, for
6 funding the small business innovation research program, for
7 transferring \$50,000 of the funds appropriated in this section
8 to the Iowa quality coalition for productivity enhancement
9 projects, and for not more than the following full-time
10 equivalent positions:

11 \$ 2,003,000
12 FTEs 4.00

13 Sec. 5. There is appropriated from the general fund of the
14 state to the Iowa seed capital corporation fund established in
15 section 15E.89, for not more than the following full-time
16 equivalent positions and for meeting the intent of the general
17 assembly that the Iowa seed capital corporation may expend all
18 funds remaining from the industrial technology access program
19 on June 30, 1995, for the purposes of the corporation:

20 \$ 508,000
21 FTEs 5.00

22 Sec. 6. There is appropriated from the general fund of the
23 state to the international development foundation for the
24 fiscal year beginning July 1, 1995, and ending on June 30,
25 1996, the following amount, or so much thereof as is
26 necessary, for salaries, support, maintenance, and the
27 purposes of the foundation, and for not more than the
28 following full-time equivalent positions:

29 \$ 50,000
30 FTEs 2.00

31 The international development foundation shall notify the
32 department of management by October 1, 1995, regarding whether
33 the foundation will receive federal funding during the state
34 fiscal year beginning July 1, 1995, and ending June 30, 1996.
35 If, for the federal fiscal year beginning October 1, 1995, and

1 ending September 30, 1996, no federal funding will be received
2 by the foundation during the state fiscal year beginning July
3 1, 1995, and ending June 30, 1996, the balance of the funds
4 allocated to the foundation in this paragraph shall revert to
5 the general fund of the state. Notwithstanding section 8.33,
6 if federal funding will be received by the foundation moneys
7 allocated to the foundation that remain unexpended on June 30
8 of the fiscal year shall not revert to any fund but shall be
9 available for expenditure for the purposes of the foundation
10 during the succeeding fiscal year. It is the intent of the
11 general assembly that funding for the foundation shall cease
12 after fiscal year 1996-1997.

13 Sec. 7. There is appropriated from the general fund of the
14 state to the Iowa state university of science and technology
15 for the fiscal year beginning July 1, 1995, and ending June
16 30, 1996, the following amounts, or so much thereof as is
17 necessary, to be used for the purposes designated:

18 1. For funding and maintaining in their current locations
19 the existing small business development centers including
20 allocating up to \$55,000 for salary increases for
21 nonuniversity employees and for funding not more than the
22 following full-time equivalent positions:

23 \$ 1,207,000
24 FTEs 6.07

25 2. For funding the institute for physical research and
26 technology provided that \$418,358 shall be allocated to the
27 institute for physical research and technology industrial
28 incentive program in accordance with the intent of this
29 subsection and for not more than the following full-time
30 equivalent positions:

31 \$ 4,071,000
32 FTEs 61.17

33 It is the intent of the general assembly that the incentive
34 program focus on Iowa industrial sectors and seek
35 contributions and in-kind donations from businesses,

1 industrial foundations, and trade associations and that moneys
2 for the institute for physical research and technology
3 industrial incentive program shall only be allocated for
4 projects which are matched by private sector moneys for
5 directed contract research or for nondirected research. The
6 match required of small businesses as defined in section
7 15.102, subsection 4, for directed contract research or for
8 nondirected research shall be \$1 for each \$3 of state funds.
9 The match required for other businesses for directed contract
10 research or for nondirected research shall be \$1 for each \$1
11 of state funds. The match required of industrial foundations
12 or trade associations shall be \$1 for each \$1 of state funds.

13 Iowa state university shall report annually to the joint
14 economic development subcommittee of the senate and house
15 appropriations committees the total amounts of private
16 contributions, the proportion of contributions from small
17 businesses and other businesses, and the proportion for
18 directed contract research and nondirected research of benefit
19 to Iowa businesses and industrial sectors.

20 Notwithstanding section 8.33, moneys appropriated for any
21 fiscal year which remain unobligated and unexpended at the end
22 of the fiscal year shall not revert but shall be available for
23 expenditure the following fiscal year.

24 Sec. 8. There is appropriated from the general fund of the
25 state to the state university of Iowa for the fiscal year
26 beginning July 1, 1995, and ending June 30, 1996, the
27 following amount, or so much thereof as is necessary, to be
28 used for the purpose designated:

29 For funding the advanced drug development program at the
30 Oakdale research park and for not more than the following
31 full-time equivalent positions:

32	\$	359,000
33	FTEs	2.85

34 The board of regents shall submit a report on the progress
35 of regents institutions in meeting the strategic plan for

1 technology transfer and economic development to the
2 chairpersons of the joint appropriations subcommittee on
3 economic development, the joint appropriations subcommittee on
4 education, the majority leader and minority leader of the
5 senate, the majority and minority leaders of the house of
6 representatives, the secretary of the senate, the chief clerk
7 of the house of representatives, and the legislative fiscal
8 bureau by November 1, 1995.

9 Sec. 9. Not later than July 1, 1995, the department of
10 economic development, with consultation and input from the
11 general assembly, and representatives from business, labor,
12 and education shall study and present recommendations to the
13 general assembly which shall include but not be limited to the
14 privatization and decentralization of Iowa's economic
15 development efforts, the identification of areas appropriate
16 to statewide economic development efforts and areas
17 appropriate for regional economic development efforts,
18 benchmark budgeting for statewide and regional efforts, the
19 deregulation of economic development activities, and
20 collaboration between public and private entities.

21 Sec. 10. DEPARTMENT OF EMPLOYMENT SERVICES. There is
22 appropriated from the general fund of the state provided that
23 the department not implement a reorganization plan without
24 prior approval, by concurrent resolution, of the general
25 assembly to the department of employment services for the
26 fiscal year beginning July 1, 1995, and ending June 30, 1996,
27 the following amounts, or so much thereof as is necessary, for
28 the purposes designated, including that the department of
29 employment services, the department of personnel, and the
30 department of management shall ensure that all nonsupervisory
31 full-time equivalent positions authorized and funded for the
32 department of employment services in this section will be
33 utilized during the fiscal year beginning July 1, 1995, and
34 ending June 30, 1996, and during future fiscal years, and will
35 not be held vacant, to ensure that the backlog of cases in

1 that department will be reduced as rapidly as possible:

2 1. DIVISION OF LABOR SERVICES

3 For salaries, support, maintenance, miscellaneous purposes,
4 and for not more than the following full-time equivalent
5 positions contingent upon the enactment of section 11 of this
6 Act and the provision which requires moneys appropriated from
7 the special employment security contingency fund to first be
8 used to fully fund the appropriation of \$296,000 to the
9 division of labor services in subsection 1 of section 12 of
10 this Act prior to funding the appropriation in section 12 of
11 this Act to the division of industrial services:

12	\$	2,516,000
13	FTEs	88.00

14 From the contractor registration fees, the division of
15 labor services shall reimburse the department of inspections
16 and appeals for all costs associated with hearings under
17 chapter 91C, relating to contractor registration.

18 2. DIVISION OF INDUSTRIAL SERVICES

19 For salaries, support, maintenance, miscellaneous purposes,
20 and for not more than the following full-time equivalent
21 positions:

22	\$	2,106,000
23	FTEs	33.00

24 3. For salaries, support, maintenance, miscellaneous
25 purposes, and for not more than the following full-time
26 equivalent positions for a workforce development coordinator
27 and council:

28	\$	114,000
29	FTEs	1.00

30 The workforce development coordinator shall formulate a
31 five-year written implementation plan for the workforce
32 development initiative and shall implement a common intake,
33 assessment, and client tracking system by June 30, 1996, to
34 determine the economic impact of the workforce development
35 system. The coordinator shall annually provide a written

1 report no later than January 1 of each year to the department
2 of management and the legislative fiscal bureau indicating all
3 of the following:

4 a. The amounts of federal, state, and any other funds
5 expended to implement the workforce initiative.

6 b. The efficiencies achieved in terms of administrative
7 costs and other expenditures of the departments involved.

8 c. The location of each workforce center, staffing levels,
9 and the number of clients served.

10 d. Any other information deemed necessary by the
11 coordinator related to the progress and success in
12 implementing the initiative.

13 e. By June 30, 1996, there shall be implemented a common
14 intake, assessment, and client tracking system to determine
15 the economic impact of the new workforce development system.
16 The tracking system shall be able to track individuals who
17 have received training or retraining to determine whether the
18 training or retraining has resulted in increased wages for the
19 individuals, shall contain information on individuals who have
20 participated in or completed state subsidized training or
21 retraining programs more than once at a particular community
22 college or at different community colleges and whether the
23 training or retraining was for the same business or different
24 businesses, and shall provide information regarding the number
25 of individuals who have received training or retraining who
26 are unemployed.

27 4. For the workforce development initiative to be used to
28 create model workforce development centers and provide an
29 integrated management information system:

30 \$ 464,000

31 Sec. 11. ADMINISTRATIVE CONTRIBUTION SURCHARGE FUND.

32 There is appropriated from the administrative contribution
33 surcharge fund of the state to the department of employment
34 services for the fiscal year beginning July 1, 1995, and
35 ending June 30, 1996, the following amount, or so much thereof

1 as is necessary, for the purposes designated:

2 DIVISION OF JOB SERVICE

3 Notwithstanding section 96.7, subsection 12, paragraph "c",
4 for salaries, support, maintenance, conducting labor
5 availability surveys, miscellaneous purposes, and for not more
6 than the following full-time equivalent positions:

7	\$	5,904,000
8	FTEs	149.72

9 1. The department of employment services shall provide
10 services throughout the fiscal year beginning July 1, 1995,
11 and ending June 30, 1996, in all communities in which
12 workforce centers are operating on July 1, 1993. However,
13 this provision shall not prevent the consolidation of multiple
14 offices within the same city or the colocation of workforce
15 centers with another public agency.

16 2. The division of industrial services shall not reduce
17 the number of scheduled hearings of contested cases or
18 eliminate the venue of such hearings, as established by the
19 division for the period beginning January 1, 1995, and ending
20 January 20, 1996. The division shall also establish a
21 substantially similar schedule for such hearings for the
22 period beginning January 20, 1996, and ending June 30, 1996.
23 The division shall report to the legislative fiscal bureau
24 concerning any modification of the established schedule, or
25 any changes which the division determines are necessary in
26 establishing the schedule for the period beginning January 20,
27 1996, and ending June 30, 1996.

28 3. The division shall continue charging a \$65 filing fee
29 for workers' compensation cases. The filing fee shall be paid
30 by the petitioner of a claim. However, the fee can be taxed
31 as a cost and paid by the losing party, except in cases where
32 it would impose an undue hardship or be unjust under the
33 circumstances.

34 Sec. 12. EMPLOYMENT SECURITY CONTINGENCY FUND. There is
35 appropriated from the special employment security contingency

1 fund to the department of employment services for the fiscal
2 year beginning July 1, 1995, and ending June 30, 1996, the
3 following amounts, or so much thereof as is necessary, for the
4 purposes designated and subject to the requirement that the
5 appropriation to the division of labor services under this
6 section be fully funded from the special employment security
7 contingency fund prior to any amounts being used to fund the
8 appropriation made to the division of industrial services
9 under this section:

10 1. DIVISION OF LABOR SERVICES

11 For salaries, support, maintenance, and miscellaneous
12 purposes:

13 \$ 296,000

14 2. DIVISION OF INDUSTRIAL SERVICES

15 For salaries, support, maintenance, and miscellaneous
16 purposes:

17 \$ 175,000

18 Any additional penalty and interest revenue may be used to
19 accomplish the mission of the division.

20 Sec. 13. PUBLIC EMPLOYMENT RELATIONS BOARD. There is
21 appropriated from the general fund of the state to the public
22 employment relations board for the fiscal year beginning July
23 1, 1995, and ending June 30, 1996, the following amount, or so
24 much thereof as is necessary, for the purposes designated:

25 For salaries, support, maintenance, miscellaneous purposes,
26 and for not more than the following full-time equivalent
27 positions:

28 \$ 755,000

29 FTEs 12.80

30 Sec. 14. There is appropriated from the general fund of
31 the state to the Iowa finance authority for the fiscal year
32 beginning July 1, 1995, and ending June 30, 1996, the
33 following amount, or so much thereof as is necessary, to be
34 used for the purpose designated:

35 For deposit in the housing improvement fund created in

1 section 16.100 for purposes of the fund:

2 \$ 1,000,000

3 Sec. 15. There is appropriated from the general fund of
4 the state to the division of insurance of the department of
5 commerce for the fiscal year beginning July 1, 1995, and
6 ending June 30, 1996, the following amount, or so much thereof
7 as is necessary, to be used for the purpose designated:

8 For an actuarial study to determine the cost of requiring
9 health insurance policies for individuals to include mental
10 health and substance abuse treatment as covered items:

11 \$ 25,000

12 Sec. 16. Section 15.317, Code 1995, is amended by adding
13 the following new subsection:

14 NEW SUBSECTION. 4. Assistance approved by the board shall
15 be utilized by the business within two years of the date of
16 the approval of the assistance. Funds not utilized in
17 accordance with this subsection shall revert to the control of
18 the board. The business may reapply for assistance in that
19 case.

20 Sec. 17. Section 16.2, subsection 1, Code 1995, is amended
21 to read as follows:

22 1. The Iowa finance authority is established, and
23 constituted a public instrumentality and agency of the state
24 exercising public and essential governmental functions, to
25 undertake programs which assist in attainment of adequate
26 housing for low or moderate income families, elderly families,
27 and families which include one or more persons who are
28 handicapped or disabled, and to undertake the Iowa
29 homesteading program, the small business loan program, the
30 export business finance program, the title guaranty program,
31 and other finance programs. The powers of the authority are
32 vested in and shall be exercised by a board of nine members
33 appointed by the governor subject to confirmation by the
34 senate. No more than five members shall belong to the same
35 political party. As far as possible the governor shall

1 include within the membership persons who represent community
2 and housing development industries, housing finance
3 industries, the real estate sales industry, elderly families,
4 minorities, lower income families, very low income families,
5 handicapped and disabled families, average taxpayers, local
6 government, business and international trade interests, and
7 any other person specially interested in community housing,
8 finance, small business, or export business development.

9 A title guaranty division program is created within the
10 authority. The authority shall exercise all powers of under
11 the division program relating to the issuance of title
12 ~~guaranties are-vested-in-and-shall-be-exercised-by-a-division~~
13 ~~board-of-five-members-appointed-by-the-governor-subject-to~~
14 ~~confirmation-by-the-senate.--The-membership-of-the-board-shall~~
15 ~~include-an-attorney,-an-abstractor,-a-real-estate-broker,-a~~
16 ~~representative-of-a-mortgage-lender,-and-a-representative-of~~
17 ~~the-housing-development-industry.~~ The executive director of
18 the authority shall appoint an attorney as director of the
19 ~~title guaranty division-who-shall-serve-as-an-ex-officio~~
20 ~~member-of-the-board~~ program. The appointment of and
21 compensation for the division program director are exempt from
22 the merit system provisions of chapter 19A.

23 a.--Members-of-the-board-of-the-division-shall-be-appointed
24 by-the-governor-for-staggered-terms-of-six-years-beginning-and
25 ending-as-provided-in-section-69.19.--A-person-shall-not-serve
26 on-the-division-board-while-serving-on-the-authority-board.--A
27 person-appointed-to-fill-a-vacancy-shall-serve-only-for-the
28 unexpired-portion-of-the-term.--A-member-is-eligible-for
29 reappointment.--A-member-of-the-division-board-may-be-removed
30 from-office-by-the-governor-for-misfeasance,-malfeasance-or
31 willful-neglect-of-duty-or-for-other-just-cause,-after-notice
32 and-hearing,-unless-notice-and-hearing-is-expressly-waived-in
33 writing;

34 b.--Three-members-of-the-board-shall-constitute-a-quorum.
35 An-affirmative-vote-of-a-majority-of-the-appointed-members-is

1 necessary-for-any-substantive-action-taken-by-the-division:
2 c.--Members-of-the-board-are-entitled-to-receive-a-per-diem
3 as-specified-in-section-7E.6-for-each-day-spent-in-performance
4 of-duties-as-members-and-shall-be-reimbursed-for-all-actual
5 and-necessary-expenses-incurred-in-the-performance-of-duties
6 as-members:

7 d. a. Members-of-the-board-and-the The director shall give
8 bond as required for public officers in chapter 64.

9 e.--Meetings-of-the-board-shall-be-held-at-the-call-of-the
10 chair-of-the-board-or-on-written-request-of-two-members:

11 f.--Members-shall-elect-a-chair-and-vice-chair-annually-and
12 other-officers-as-they-determine.--The-director-shall-serve-as
13 secretary-to-the-board:

14 g. b. The net earnings of the division program, beyond
15 that necessary for reserves, backing, guaranties issued or to
16 otherwise implement the public purposes and programs
17 authorized, shall not inure to the benefit of any person other
18 than the state and are subject to subsection 8.

19 Sec. 18. Section 16.5, subsection 15, Code 1995, is
20 amended to read as follows:

21 15. Through the title guaranty division program, make and
22 issue title guaranties on Iowa real property in a form
23 acceptable to the secondary market, to fix and collect the
24 charges for the guaranties and to procure reinsurance against
25 any loss in connection with the guaranties.

26 Sec. 19. Section 16.91, Code 1995, is amended to read as
27 follows:

28 16.91 TITLE GUARANTY PROGRAM.

29 1. The authority ~~through-the-title-guaranty-division~~ shall
30 initiate and operate a title guaranty program in which the
31 division authority shall offer guaranties of real property
32 titles in this state. The terms, conditions and form of the
33 guaranty contract shall be forms approved by the division
34 board authority. The division authority shall fix a charge
35 for the guaranty in an amount sufficient to permit the program

1 to operate on a self-sustaining basis, including payment of
2 administrative costs and the maintenance of an adequate
3 reserve against claims under the title guaranty program. A
4 title guaranty fund is created in the office of the treasurer
5 of state. Funds collected under this program shall be placed
6 in the title guaranty fund and are available to pay all
7 claims, necessary reserves and all administrative costs of the
8 title guaranty program. Moneys in the fund shall not revert
9 to the general fund and interest on the moneys in the fund
10 shall be retained as a part of the fund and shall not accrue
11 to the general fund. If the authority board ~~in-consultation~~
12 ~~with-the-division-board~~ determines that there are surplus
13 funds in the title guaranty fund after providing for adequate
14 reserves and operating expenses ~~of~~ for the division program,
15 the surplus funds shall be transferred to the housing program
16 fund created pursuant to section 16.40.

17 2. A title guaranty issued under this program is an
18 obligation of the ~~division~~ authority only and claims are
19 payable solely and only out of the moneys, assets and revenues
20 of the title guaranty fund and are not an indebtedness or
21 liability of the state. The state is not liable on the
22 guaranties.

23 3. ~~With-the-approval-of-the~~ The authority ~~board-the~~
24 ~~division-and-its-board~~ shall consult with the insurance
25 division of the department of commerce in developing a
26 guaranty contract acceptable to the secondary market and
27 developing any other feature of the program with which the
28 insurance division may have special expertise. The insurance
29 division shall establish the amount for a loss reserve fund.
30 Except as provided in this subsection, the title guaranty
31 program is not subject to the jurisdiction of or regulation by
32 the insurance division or the commissioner of insurance.

33 4. Each participating attorney and abstractor may be
34 required to pay an annual participation fee to be eligible to
35 participate in the title guaranty program. The fee, if any,

1 shall be set by the ~~division~~-subject-to-the-approval-of-the
2 authority.

3 5. The participation of abstractors and attorneys shall be
4 in accordance with rules ~~established-by-the-division-and~~
5 adopted by the authority pursuant to chapter 17A. Each
6 participant shall at all times maintain liability coverage in
7 amounts approved by the ~~division~~ authority. Upon payment of a
8 claim ~~by-the-division~~-~~the-division~~ under the program, the
9 authority shall be subrogated to the rights of the claimant
10 against all persons relating to the claim.

11 Additionally, each participating abstractor is required to
12 own or lease, and maintain and use in the preparation of
13 abstracts, an up-to-date abstract title plant including tract
14 indices for real estate for each county in which abstracts are
15 prepared for real property titles guaranteed by the ~~division~~
16 program. The tract indices shall contain a reference to all
17 instruments affecting the real estate which are recorded in
18 the office of the county recorder, and shall commence not less
19 than forty years prior to the date the abstractor commences
20 participation in the title guaranty program. However, a
21 participating attorney providing abstract services
22 continuously from November 12, 1986, to the date of
23 application, either personally or through persons under the
24 attorney's supervision and control is exempt from the
25 requirements of this paragraph.

26 The ~~division~~ authority may waive the requirements of this
27 subsection pursuant to an application of an attorney or
28 abstractor which shows that the requirements impose a hardship
29 to the attorney or abstractor and that the waiver clearly is
30 in the public interest or is absolutely necessary to ensure
31 availability of title guaranties throughout the state.

32 6. Prior to the issuance of a title guaranty, the ~~division~~
33 authority shall require evidence that an abstract of title to
34 the property in question has been brought up-to-date and
35 certified by a participating abstractor in a form approved by

1 division authority rules and a title opinion issued by a
2 participating attorney in the form approved in the rules
3 stating the attorney's opinion as to the title. The division
4 authority shall require evidence of the abstract being brought
5 up-to-date and the abstractor shall retain evidence of the
6 abstract as determined by the board.

7 7. The attorney rendering a title opinion shall be
8 authorized to issue a title guaranty certificate subject to
9 the rules of the authority.

10 8. The authority shall adopt rules pursuant to chapter 17A
11 that are necessary for the implementation of the title
12 guaranty program as established by the ~~division-and-that-have~~
13 ~~been-approved-by-the~~ authority.

14 Sec. 20. FEDERAL GRANTS. All federal grants to and the
15 federal receipts of agencies appropriated funds under this
16 Act, not otherwise appropriated, are appropriated for the
17 purposes set forth in the federal grants or receipts unless
18 otherwise provided by the general assembly.

19 Sec. 21. Notwithstanding any other provision, any
20 unencumbered or unobligated balance on June 30, 1995, in the
21 targeted small business financial assistance program account
22 created in section 15.247, including moneys remaining in any
23 reserve account within the program account for guaranteed
24 loans that have been repaid, shall be transferred out of the
25 program account, including the appropriate reserve accounts,
26 and deposited to the credit of the Iowa strategic investment
27 fund created in section 15.313 and shall be appropriated to
28 the department of economic development for purposes of the
29 Iowa strategic investment fund targeted small business self-
30 employment loan program.

31 Sec. 22. BUDGET UNIT DESIGNATIONS. The department of
32 management shall, prior to January 15, 1996, conform all
33 budget unit designations to the designations used in the Code.

34 Sec. 23. Chapter 38, Code 1995, is repealed.

35

EXPLANATION

1 This bill makes appropriations and transfers from the
2 general fund and other funds to the department of economic
3 development, the department of employment services, the
4 insurance division of the department of commerce, the public
5 employment relations board, the Wallace technology transfer
6 foundation, the Iowa seed capital corporation, the
7 international development foundation, and the Iowa finance
8 authority. The bill also eliminates the Iowa finance
9 authority's title guaranty division while maintaining the
10 title guaranty program and eliminating the Iowa peace
11 institute.

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SENATE FILE 463

S-3310

- 1 Amend Senate File 463 as follows:
- 2 1. By striking page 18, line 20, through page 23,
- 3 line 13.
- 4 2. By renumbering as necessary.

By RANDAL J. GIANNETTO

S-3310 FILED MARCH 30, 1995

Out of Order 4-12-95

SENATE FILE 463

S-3313

- 1 Amend Senate File 463 as follows:
- 2 1. Page 5, by inserting after line 5 the
- 3 following:
- 4 "In establishing the community voice mail program,
- 5 all of the following shall apply:
- 6 (1) A homeless or emergency shelter shall be
- 7 provided the service for three months with an
- 8 extension for an additional three months.
- 9 (2) The primary use of the voice mail shall be
- 10 employment and emergency-related.
- 11 (3) Messages on voice mail may be monitored at
- 12 anytime without prior notice or approval.
- 13 (4) The service shall be terminated at the shelter
- 14 if any illegal activity occurs there. Once service
- 15 has been terminated, it shall not be reinstated."

By JIM LIND

S-3313 FILED MARCH 30, 1995

Out of Order 4-12-95

SENATE FILE 463

S-3307

- 1 Amend Senate File 463 as follows:
- 2 1. Page 23, by striking line 34.

By TOM VILSACK
MAGGIE TINSMAN

S-3307 FILED MARCH 30, 1995

Out of Order 4-12-95

SENATE FILE 463

S-3331

- 1 Amend Senate File 463 as follows:
- 2 1. Page 7, by inserting after line 28 the
- 3 following:
- 4 "____. Job retraining program
- 5 To the community college job training fund created
- 6 in section 260F.6, including salaries and support for
- 7 not more than the following full-time equivalent
- 8 positions:
- 9 S 362,000
- 10 FTES 1.31"
- 11 2. By relettering as necessary.

By DERRYL McLAREN

S-3331 FILED APRIL 4, 1995

Out of Order 4-12-95

SENATE FILE 463

S-3321

- 1 Amend Senate File 463 as follows:
 - 2 1. Page 3, line 2, by striking the figure
 - 3 "5,000,000" and inserting the following: "5,656,000".
- By ALLEN BORLAUG

S-3321 FILED APRIL 3, 1995

out of order 4-12-95

SENATE FILE 463

S-3322

- 1 Amend Senate File 463 as follows:
 - 2 1. Page 10, line 20, by striking the figure
 - 3 "508,000" and inserting the following: "658,000".
- By ALLEN BORLAUG

S-3322 FILED APRIL 3, 1995

out of order 4-12-95

SENATE FILE 463

S-3323

- 1 Amend Senate File 463 as follows:
 - 2 1. Page 6, line 8, by striking the figure
 - 3 "200,000" and inserting the following: "367,000".
- By ALLEN BORLAUG

S-3323 FILED APRIL 3, 1995

O. O. O. 4-12-95

SENATE FILE 463

S-3324

- 1 Amend Senate Fiel 463 as follows:
 - 2 1. Page 6, line 20, by striking the figure
 - 3 "50,000" and inserting the following: "100,000".
- By ALLEN BORLAUG

S-3324 FILED APRIL 3, 1995

Out of order 4-12-95

SENATE FILE 463

S-3325

- 1 Amend Senate File 463 as follows:
 - 2 1. Page 5, by striking lines 1 through 5.
 - 3 2. By relettering as necessary.
- By ALLEN BORLAUG

S-3325 FILED APRIL 3, 1995

Out of order 4-12-95

SENATE FILE 463

S-3316

- 1 Amend Senate File 463 as follows:
- 2 1. Page 1, line 17, by inserting after the word
- 3 "purposes," the following: "and".
- 4 2. Page 1, line 22, by striking the words and
- 5 figure "allocating \$50,000 for regulatory assistance
- 6 programs" and inserting the following: "not more than
- 7 the following full-time equivalent positions".
- 8 3. Page 1, line 23, by striking the figure
- 9 "900,000" and inserting the following: "850,000".
- 10 4. Page 2, line 6, by inserting after the word
- 11 "purposes," the following: "for allocating \$50,000
- 12 for regulatory assistance programs,".
- 13 5. Page 2, line 9, by striking the figure
- 14 "2,950,000" and inserting the following: "3,000,000".
- 15 6. Page 2, line 23, by inserting after the word
- 16 "charges" the following: ", if appropriate,".
- 17 7. Page 9, lines 17 and 18, by striking the words
- 18 "created in the office of the treasurer of state to",
- 19 and inserting the following: "in".
- 20 8. Page 17, by striking lines 18 and 19 and
- 21 inserting the following:
- 22 "3. Any additional penalty and interest revenue
- 23 may be used to accomplish the mission of the
- 24 department."
- 25 9. Page 23, lines 29 and 30, by striking the
- 26 words "self-employment loan", and inserting the
- 27 following: "financial assistance".

By TOM VILSACK

S-3316 FILED APRIL 3, 1995

Out of order 4-12-95

SENATE FILE 463

S-3317

- 1 Amend Senate File 463 as follows:
- 2 1. Page 2, by inserting after line 3 the
- 3 following:
- 4 "c. Film office
- 5 For salaries, support, maintenance, miscellaneous
- 6 purposes, and for not more than the following full-
- 7 time equivalent positions:
- 8 \$ 188,000
- 9 FTEs 2.00".
- 10 2. Page 6, line 22, by striking the words "and
- 11 film office".
- 12 3. Page 6, line 28, by striking the figure
- 13 "875,000" and inserting the following: "715,000".
- 14 4. Page 6, line 29, by striking the figure
- 15 "19.27" and inserting the following: "17.77".

By JOANN DOUGLAS

S-3317 FILED APRIL 3, 1995

Out of order 4-12-95

SENATE FILE 463

S-3401

1 Amend Senate File 463 as follows:

2 1. By striking everything after the enacting
3 clause and inserting the following:

4 "Section 1. There is appropriated from the general
5 fund of the state and other designated funds to the
6 department of economic development for the fiscal year
7 beginning July 1, 1995, and ending June 30, 1996, on
8 the conditions that the director shall submit to the
9 general assembly by December 1, 1995, a report
10 regarding the potential for increased efficiency and
11 cost savings from combining the workforce development
12 division with the workforce development initiative and
13 that the department shall not use any moneys
14 appropriated under this Act for further expansion of
15 industrial site locator programs until the industrial
16 site locator program at the university of northern
17 Iowa is completed and fully implemented and the
18 department and the university have reported to the
19 general assembly on plans for coordination and
20 cooperation between the department and the university,
21 including access by the department to the database and
22 technology of the university program, the following
23 amounts, or so much thereof as is necessary, to be
24 used for the purposes designated:

25 1. ADMINISTRATIVE SERVICES DIVISION

26 a. General administration

27 For salaries, support, maintenance, miscellaneous
28 purposes, provided the director shall take all
29 reasonable efforts to reduce the number of staff and
30 level of funding committed to activities of the
31 director's office and general administration,
32 including the transfer of staff and funds to the
33 operational divisions of the department, and the
34 consolidation of functions and reduction in department
35 staff, and for providing that a business receiving
36 moneys from the department for the purpose of job
37 creation shall make available ten percent of the new
38 jobs created for promise jobs program participants who
39 are qualified for the jobs:

40	\$	916,000
41	FTEs	22.00

42 The director shall coordinate efforts with the
43 workforce coordinator to implement the intent of the
44 general assembly regarding businesses receiving job
45 creation moneys and shall report to the joint economic
46 development appropriations subcommittee regarding the
47 number of jobs to be created by each business, the
48 number of qualified promise jobs participants applying
49 with the business, and the number of promise jobs
50 participants hired.

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1 b. Primary research and computer center
 2 For salaries, support, maintenance, miscellaneous
 3 purposes, and for not more than the following full-
 4 time equivalent positions:

5 \$ 300,000
 6 FTEs 5.50

7 The department shall report to the general assembly
 8 by December 1, 1995, on the available options and
 9 potential cost savings regarding privatizing computer
 10 services for primary research.

11 c. Film office
 12 For salaries, support, maintenance, miscellaneous
 13 purposes, and for not more than the following full-
 14 time equivalent positions:

15 \$ 185,000
 16 FTEs 2.00

17 2. BUSINESS DEVELOPMENT DIVISION

18 a. Business development operations
 19 For salaries, support, maintenance, miscellaneous
 20 purposes, and for not more than the following full-
 21 time equivalent positions:

22 \$ 3,000,000
 23 FTEs 16.00

24 b. Small business programs
 25 For salaries, support, maintenance, miscellaneous
 26 purposes, and for not more than the following full-
 27 time equivalent positions for the small business
 28 program, the small business advisory council, targeted
 29 small business program, business incubators, for
 30 providing 1.00 FTE for the targeted small business
 31 compliance officer who shall continue to work jointly
 32 with the department of management, for eliminating the
 33 position of small business resource office manager,
 34 implementing the small business resource office
 35 reorganization plan by July 1, 1995, and for reporting
 36 to the joint economic development appropriations
 37 subcommittee and the legislative fiscal bureau on the
 38 reorganization, and for deaf interpreters funded
 39 through the economic development deaf interpreters
 40 revolving fund established in section 15.108,
 41 subsection 7, paragraph "j":

42 \$ 365,000
 43 FTEs 6.00

44 c. Federal procurement office
 45 For salaries, support, maintenance, miscellaneous
 46 purposes, and for not more than the following full-
 47 time equivalent positions:

48 \$ 90,000
 49 FTEs 3.00

50 Notwithstanding section 8.33, moneys remaining

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1 unencumbered or unobligated on June 30, 1996, shall
2 not revert and shall be available for expenditure
3 during the fiscal year beginning July 1, 1996, for the
4 same purposes.

5 d. Strategic investment fund

6 For deposit in the strategic investment fund for
7 salaries, support, and for not more than the following
8 full-time equivalent positions:

9	\$	5,600,000
10	FTEs	10.00

11 e. Targeted small business incubator

12 Moneys appropriated for fiscal year 1994-1995 and
13 not expended by June 30, 1995, shall not revert but
14 shall be held by the department for funding, with
15 local matching funds, the targeted small business
16 incubator in Des Moines for the fiscal year beginning
17 July 1, 1995, and ending June 30, 1996.

18 f. Insurance economic development

19 There is appropriated from moneys collected by the
20 division of insurance in excess of the anticipated
21 gross revenues under section 505.7, subsection 3, to
22 the department for the fiscal year beginning July 1,
23 1995, and ending June 30, 1996, the following amount,
24 or so much thereof as is necessary, for insurance
25 economic development and international insurance
26 economic development:

27	\$	200,000
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28 3. COMMUNITY DEVELOPMENT DIVISION

29 a. Community assistance

30 For salaries, support, maintenance, miscellaneous
31 purposes, and for not more than the following full-
32 time equivalent positions for administration of the
33 community economic preparedness program, the Iowa
34 community betterment program, and the city development
35 boards:

36	\$	615,000
37	FTEs	7.50

38 From the funds appropriated in this paragraph,
39 \$50,000 shall be allocated for the junior olympics.

40 b. Main street/rural main street program

41 For salaries and support for not more than the
42 following full-time equivalent positions:

43	\$	410,000
44	FTEs	3.00

45 Notwithstanding section 8.33, moneys committed to
46 grantees under contract from the general fund of the
47 state that remain unexpended on June 30 of the fiscal
48 year shall not revert to any fund but shall be
49 available for expenditure for purposes of the contract
50 during the succeeding fiscal year.

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1 c. Rural development program

2 For salaries, support, maintenance, miscellaneous
3 purposes, for not more than the following full-time
4 equivalent positions for rural resource coordination,
5 rural community leadership, the rural enterprise fund,
6 and for \$50,000 to be allocated competitively to ten
7 to twenty communities for direct purchase of services
8 or goods that meet local development needs or to
9 enhance heritage and tourism efforts from state and
10 private sources:

11 \$ 600,000
12 FTEs 4.50

13 There is also appropriated from the rural community
14 2000 program revolving fund established in section
15 15.287 to the rural development program for the
16 purposes of the program including the rural enterprise
17 fund and collaborative skills development training:

18 \$ 226,000

19 Notwithstanding section 8.33, moneys committed to
20 grantees under contract from the general fund of the
21 state or through transfers from the Iowa community
22 development loan fund or from the rural community 2000
23 program revolving fund that remain unexpended at the
24 end of the fiscal year shall not revert but shall be
25 available for expenditure for purposes of the contract
26 during the succeeding fiscal year.

27 d. Community development block grant and HOME

28 For administration and related federal housing and
29 urban development grant administration for salaries,
30 support, maintenance, miscellaneous purposes, and for
31 not more than the following full-time equivalent
32 positions:

33 \$ 390,000
34 FTEs 18.76

35 e. Councils of governments

36 There is appropriated from the rural community 2000
37 program revolving fund established in section 15.287
38 to provide to Iowa's councils of governments funds for
39 planning and technical assistance funds to assist
40 local governments to develop community development
41 strategies for addressing long-term and short-term
42 community needs:

43 \$ 178,000

44 f. Housing development fund

45 For providing technical assistance to communities
46 of all sizes and local financial institutions to help
47 meet local housing needs:

48 \$ 100,000

49 g. Community voice mail pilot project

50 For a community voice mail pilot project at a

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1 homeless for emergency shelter or shelters, to be
 2 coordinated with the Iowa finance authority:
 3 \$ 10,000

4 4. INTERNATIONAL DIVISION

5 a. International trade operations
 6 For coordinating and eliminating duplication of
 7 effort with the department of agriculture and land
 8 stewardship, conducting foreign trade missions on
 9 behalf of Iowa businesses, salaries, support,
 10 maintenance, miscellaneous purposes, for allocating
 11 \$33,500 and up to two full-time equivalent positions
 12 for the international development foundation which
 13 shall continue as a private entity, and for not more
 14 than the following full-time equivalent positions:
 15 \$ 757,500
 16 FTEs 9.00

17 The international development foundation shall
 18 notify the department of management by October 1,
 19 1995, regarding whether the foundation will receive
 20 federal funding during the state fiscal year beginning
 21 July 1, 1995, and ending June 30, 1996. If, for the
 22 federal fiscal year beginning October 1, 1995, and
 23 ending September 30, 1996, no new federal funding will
 24 be received by the foundation during the state fiscal
 25 year beginning July 1, 1995, and ending June 30, 1996,
 26 the balance of the funds allocated to the foundation
 27 in this paragraph shall revert to the general fund of
 28 the state. Notwithstanding section 8.33, if federal
 29 funding will be received by the foundation moneys
 30 allocated to the foundation that remain unexpended on
 31 June 30 of the fiscal year shall not revert to any
 32 fund but shall be available for expenditure for the
 33 purposes of the foundation during the succeeding
 34 fiscal year. It is the intent of the general assembly
 35 that funding for the foundation shall cease after
 36 fiscal year 1996-1997.

37 b. Foreign trade offices

38 For salaries, support, maintenance, miscellaneous
 39 purposes, and for not more than the following full-
 40 time equivalent positions:
 41 \$ 590,000

42 c. Export trade assistance program

43 For export trade activities, including a program to
 44 encourage and increase participation in trade shows
 45 and trade missions by providing financial assistance
 46 to businesses for a percentage of their costs of
 47 participating in trade shows and trade missions, by
 48 providing for the lease/sublease of showcase space in
 49 existing world trade centers, by providing temporary
 50 office space for foreign buyers, international

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1 prospects, and potential reverse investors, and by
 2 providing other promotional and assistance activities,
 3 provided that the department shall consult with the
 4 department of agriculture and land stewardship prior
 5 to allocating export trade assistance program moneys,
 6 including salaries and support for not more than the
 7 following full-time equivalent positions:

8 \$ 275,000
 9 FTEs 0.25

10 d. Agricultural product advisory council
 11 For support, maintenance, and miscellaneous
 12 purposes:

13 \$ 1,300

14 e. For transfer to the partner state program which
 15 the department may use to contract with private groups
 16 or organizations which are the most appropriate to
 17 administer this program and the groups and
 18 organizations participating in the program shall, to
 19 the fullest extent possible, provide the funds to
 20 match the appropriation made in this subsection of the
 21 funds transferred:

22 \$ 100,000

23 5. TOURISM DIVISION

24 a. Tourism operations

25 For salaries, support, maintenance, miscellaneous
 26 purposes, and for not more than the following full-
 27 time equivalent positions, provided that the
 28 appropriation shall not be used for advertising
 29 placements for in-state and out-of-state tourism
 30 marketing:

31 \$ 716,000
 32 FTEs 17.77

33 b. Tourism advertising

34 For contracting exclusively for tourism advertising
 35 for in-state and out-of-state tourism marketing
 36 services, tourism promotion programs, electronic
 37 media, print media, and printed materials and for
 38 allocating \$300,000 to develop brochures and
 39 television advertising to highlight the heritage
 40 tourism program and the sesquicentennial:

41 \$ 2,687,000

42 The department shall not use the moneys
 43 appropriated in this lettered paragraph, except the
 44 \$300,000 allocated for heritage tourism and
 45 sesquicentennial advertising, unless the department
 46 develops public-private partnerships with Iowa
 47 businesses in the tourism industry, Iowa tour groups,
 48 Iowa tourism organizations, and political subdivisions
 49 in this state to assist in the development of
 50 advertising efforts. The department shall, to the

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1 fullest extent possible, develop cooperative efforts
2 for advertising with contributions from other sources.

3 c. Welcome center program

4 To implement the recommendations of the statewide
5 long-range plan for developing and operating welcome
6 centers throughout the state and for planning for a
7 welcome center at living history farms:

8 \$ 240,000

9 6. WORKFORCE DEVELOPMENT DIVISION

10 a. Youth work force programs

11 For purposes of the conservation corps, including
12 salary, support, maintenance, miscellaneous purposes,
13 and for not more than the following full-time
14 equivalent positions:

15 \$ 940,000

16 FTEs 2.40

17 Notwithstanding section 8.33, moneys committed to
18 grantees under contract that remain unexpended on June
19 30 of the fiscal year shall not revert to any fund but
20 shall be available for expenditure for purposes of the
21 contract during the succeeding fiscal year.

22 b. Job retraining program

23 For not more than the following full-time
24 equivalent positions, including salaries and support:

25 FTEs 1.31

26 There is appropriated from the rural community 2000
27 program revolving fund established in section 15.287
28 to the community job training fund created in section
29 260F.6, subsection 1, \$225,000. It is the intent of
30 the general assembly that up to \$101,894 of all funds
31 appropriated to the program and some or all of the
32 full-time equivalent positions may be used for the
33 administration of the Iowa small business new jobs
34 training Act.

35 c. Workforce investment program

36 For allocating \$425,000 for funding, to the extent
37 possible, the currently existing high technology
38 apprenticeship programs, under section 260C.44 at the
39 community colleges, and for the purposes of the
40 workforce investment program, for a competitive grant
41 program by the department in consultation with the
42 state job training coordinating council for projects
43 that increase Iowa's pool of available labor via
44 training and support services with priority given to
45 projects which serve displaced homemakers or welfare
46 recipients, including salaries and support for not
47 more than the following full-time equivalent
48 positions:

49 \$ 903,000

50 FTEs 0.90

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1 The department shall develop new administrative
2 rules for distribution of apprenticeship funding for
3 fiscal years beginning July 1, 1996.

4 The department shall ensure that the workforce
5 investment program is coordinated with services
6 provided under the federal Job Training Partnership
7 Act and that welfare recipients receive priority for
8 services under both programs.

9 The department and the community colleges shall
10 jointly review the Iowa small business new jobs
11 training Act, chapter 260F, including, but not limited
12 to, studying the funding of retraining programs
13 through consortia and supplier networks and entering
14 into multiple retraining agreements to the same
15 business. The report of the review shall be jointly
16 submitted to the joint economic development
17 appropriations subcommittee not later than January 10,
18 1996.

19 Notwithstanding section 8.33, moneys committed to
20 grantees under contract that remain unexpended at the
21 end of the fiscal year, shall not revert to any fund
22 but shall be available for expenditure for purposes of
23 the contract during the succeeding fiscal year.

24 d. Labor management councils

25 For salaries, support, maintenance, miscellaneous
26 purposes, and for not more than the following full-
27 time equivalent positions:

28	\$	100,000
29	FTEs	0.50

30 It is the intent of the general assembly that
31 funding for labor management councils shall be
32 privately financed after fiscal year 1996-1997. The
33 department shall not use moneys appropriated in this
34 lettered paragraph for grants to grantees who do not
35 facilitate the active participation of labor as
36 members of labor management councils or who fail to
37 make a good faith effort to either schedule meetings
38 during nonworking hours or obtain voluntary agreements
39 with employers to allow employees time off to attend
40 labor management council meetings with no loss of pay
41 or other benefits.

42 Notwithstanding section 8.33, moneys committed to
43 grantees under contract that remain unexpended on June
44 30 of the fiscal year shall not revert to any fund but
45 shall be available for expenditure for purposes of the
46 contract during the succeeding fiscal year.

47 Sec. 2. Notwithstanding section 15E.120,
48 subsections 5, 6, and 7, and section 15.287, there is
49 appropriated from the Iowa community development loan
50 fund all the moneys available during the fiscal year

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1 beginning July 1, 1995, and ending June 30, 1996, to
2 the department of economic development for the rural
3 development program to be used by the department for
4 the purposes of the program.

5 Sec. 3. Notwithstanding section 15.251, subsection
6 2, there is appropriated from the job training fund
7 created in the office of the treasurer of state to the
8 department of economic development for the fiscal year
9 beginning July 1, 1995, and ending June 30, 1996, the
10 following amounts, or so much thereof as is necessary,
11 to be used for the purposes designated:

12 1. For administration of chapter 260E, including
13 salaries, support, maintenance, miscellaneous
14 purposes, and for not more than the following full-
15 time equivalent positions:

16	\$	160,000
17	FTEs	2.40

18 2. For the target alliance program:

19	\$	30,000
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20 Sec. 4. There is appropriated from the general
21 fund of the state to the Wallace technology transfer
22 foundation for the fiscal year beginning July 1, 1995,
23 and ending June 30, 1996, the following amount, or so
24 much thereof as is necessary, to be used for the
25 purposes designated:

26 For salaries, support, maintenance, and other
27 operational purposes, for reporting by December 1,
28 1995, to the joint economic development appropriations
29 subcommittee on a plan regarding restructuring the
30 foundation, merging with the department of economic
31 development in fiscal year 1996-1997, and for
32 transferring, all equity holdings to the Iowa seed
33 capital corporation, for administering the industrial
34 technology access program, for approving and
35 submitting to the governor and general assembly not
36 later than January 15 an annual report relating to
37 performance goals of and efforts by the foundation to
38 improve the modernization of industrial facilities,
39 for funding the small business innovation research
40 program, for transferring up to \$30,000 of the funds
41 appropriated in this section to the Iowa quality
42 coalition, on the condition that the coalition first
43 expend all existing moneys, for productivity
44 enhancement projects, and for not more than the
45 following full-time equivalent positions:

46	\$	1,950,000
47	FTEs	4.00

48 The Iowa quality coalition shall submit a proposal
49 to the joint economic development appropriations
50 subcommittee and the legislative fiscal bureau by

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1 December 1, 1995, regarding awarding funds for
2 productivity enhancement projects through a request
3 for proposal process.

4 Sec. 5. There is appropriated from the general
5 fund of the state to the Iowa seed capital corporation
6 fund established in section 15E.89, for not more than
7 the following full-time equivalent positions, and for
8 meeting the intent of the general assembly that the
9 Iowa seed capital corporation may expend all funds
10 remaining, on June 30, 1995, from the industrial
11 technology access program for the purposes of the
12 corporation:

13	\$	483,000
14	FTEs	5.00

15 Sec. 6. There is appropriated from the general
16 fund of the state to the Iowa state university of
17 science and technology for the fiscal year beginning
18 July 1, 1995, and ending June 30, 1996, the following
19 amounts, or so much thereof as is necessary, to be
20 used for the purposes designated:

21 1. For funding and maintaining in their current
22 locations the existing small business development
23 centers, for providing up to \$33,000, or so much
24 thereof as is necessary, for salary increases of not
25 more than three percent from all sources for
26 nonuniversity employees provided that any amount not
27 required for salary increases for nonuniversity
28 employees shall revert to the general fund of the
29 state, and for not more than the following full-time
30 equivalent positions:

31	\$	1,185,000
32	FTEs	6.07

33 2. For funding the institute for physical research
34 and technology, provided that \$318,358 shall be
35 allocated to the institute for physical research and
36 technology industrial incentive program in accordance
37 with the intent of the general assembly, and for not
38 more than the following full-time equivalent
39 positions:

40	\$	4,000,000
41	FTEs	61.17

42 It is the intent of the general assembly that the
43 incentive program focus on Iowa industrial sectors and
44 seek contributions and in-kind donations from
45 businesses, industrial foundations, and trade
46 associations and that moneys for the institute for
47 physical research and technology industrial incentive
48 program shall only be allocated for projects which are
49 matched by private sector moneys for directed contract
50 research or for nondirected research. The match

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1 required of small businesses as defined in section
 2 15.102, subsection 4, for directed contract research
 3 or for nondirected research shall be \$1 for each \$3 of
 4 state funds. The match required for other businesses
 5 for directed contract research or for nondirected
 6 research shall be \$1 for each \$1 of state funds. The
 7 match required of industrial foundations or trade
 8 associations shall be \$1 for each \$1 of state funds.

9 Iowa state university shall report annually to the
 10 joint economic development subcommittee of the senate
 11 and house appropriations committees the total amounts
 12 of private contributions, the proportion of
 13 contributions from small businesses and other
 14 businesses, and the proportion for directed contract
 15 research and nondirected research of benefit to Iowa
 16 businesses and industrial sectors.

17 Notwithstanding section 8.33, moneys appropriated
 18 for any fiscal year which remain unobligated and
 19 unexpended at the end of the fiscal year shall not
 20 revert but shall be available for expenditure the
 21 following fiscal year.

22 Sec. 7. There is appropriated from the general
 23 fund of the state to the state university of Iowa for
 24 the fiscal year beginning July 1, 1995, and ending
 25 June 30, 1996, the following amount, or so much
 26 thereof as is necessary, to be used for the purpose
 27 designated:

28 For funding the advanced drug development program
 29 at the Oakdale research park and for not more than the
 30 following full-time equivalent positions:

31	\$	309,000
32	FTEs	2.85

33 The board of regents shall submit a report on the
 34 progress of regents institutions in meeting the
 35 strategic plan for technology transfer and economic
 36 development to the chairpersons of the joint
 37 appropriations subcommittee on economic development,
 38 the joint appropriations subcommittee on education,
 39 the majority leader, and minority leader of the
 40 senate, the majority and minority leaders of the house
 41 of representatives, the secretary of the senate, the
 42 chief clerk of the house of representatives, and the
 43 legislative fiscal bureau by December 1, 1995.

44 Sec. 8. Not later than July 1, 1995, the
 45 department of economic development, with consultation
 46 and input from the general assembly, and
 47 representatives from business, labor, and education
 48 shall study and present recommendations to the general
 49 assembly which shall include but not be limited to the
 50 privatization and decentralization of Iowa's economic

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1 development efforts, the identification of areas
 2 appropriate to statewide economic development efforts
 3 and areas appropriate for regional economic
 4 development efforts, benchmark budgeting for statewide
 5 and regional efforts, the deregulation of economic
 6 development activities, and collaboration between
 7 public and private entities.

8 Sec. 9. DEPARTMENT OF EMPLOYMENT SERVICES. There
 9 is appropriated from the general fund of the state,
 10 provided that the department not implement a
 11 reorganization plan, without prior approval of the
 12 general assembly, by concurrent resolution, to the
 13 department of employment services for the fiscal year
 14 beginning July 1, 1995, and ending June 30, 1996, the
 15 following amounts, or so much thereof as is necessary,
 16 for the purposes designated, including that the
 17 department of employment services, the department of
 18 personnel, and the department of management shall
 19 ensure that all nonsupervisory full-time equivalent
 20 positions authorized and funded for the department of
 21 employment services in this section will be utilized
 22 during the fiscal year beginning July 1, 1995, and
 23 ending June 30, 1996, and during future fiscal years,
 24 and will not be held vacant, to ensure that the
 25 backlog of cases in that department will be reduced as
 26 rapidly as possible:

27 1. DIVISION OF LABOR SERVICES

28 For salaries, support, maintenance, miscellaneous
 29 purposes, and for not more than the following full-
 30 time equivalent positions contingent upon the
 31 enactment of section 10 of this Act and the provision
 32 which requires moneys appropriated from the special
 33 employment security contingency fund to first be used
 34 to fully fund the appropriation of \$296,000 to the
 35 division of labor services in subsection 1 of section
 36 11 of this Act prior to funding the appropriation in
 37 section 11 of this Act to the division of industrial
 38 services:

39	\$	2,466,000
40	FTEs	87.00

41 The division of labor services shall ensure all
 42 occupational safety and health personnel complete the
 43 department of employment services ambassador customer
 44 service classes. The division of labor shall ensure a
 45 customer satisfaction survey developed by the 1994
 46 focus group is completed and a written report
 47 containing the results of the survey is submitted to
 48 the department of management and the legislative
 49 fiscal bureau not later than October 1, 1995.

50 It is the intent of the general assembly that the

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1 division of labor services shall conduct all
 2 inspection functions in the division as efficiently as
 3 possible. The division shall, to the extent possible,
 4 eliminate duplicate travel to the same location for
 5 separate inspections made at different times, and
 6 shall consolidate such inspections in the same trip
 7 whenever possible.

8 From the contractor registration fees, the division
 9 of labor services shall reimburse the department of
 10 inspections and appeals for all costs associated with
 11 hearings under chapter 91C, relating to contractor
 12 registration.

13 2. DIVISION OF INDUSTRIAL SERVICES

14 For salaries, support, maintenance, miscellaneous
 15 purposes, and for not more than the following full-
 16 time equivalent positions:

17	\$	2,106,000
18	FTEs	33.00

19 3. For salaries, support, maintenance,
 20 miscellaneous purposes, and for not more than the
 21 following full-time equivalent positions for a
 22 workforce development coordinator and council:

23	\$	114,000
24	FTEs	1.00

25 The workforce development coordinator shall
 26 formulate a five-year written implementation plan for
 27 the workforce development initiative and shall
 28 implement a common intake, assessment, and client
 29 tracking system by June 30, 1996, to determine the
 30 economic impact of the workforce development system.
 31 The coordinator shall annually provide a written
 32 report no later than December 1 of each year to the
 33 department of management and the legislative fiscal
 34 bureau indicating all of the following:

35 a. The amounts of federal, state, and any other
 36 funds expended to implement the workforce initiative.

37 b. The efficiencies achieved in terms of
 38 administrative costs and other expenditures of the
 39 departments involved.

40 c. The location of each workforce center, staffing
 41 levels, and the number of clients served.

42 d. Any other information deemed necessary by the
 43 coordinator related to the progress and success in
 44 implementing the initiative.

45 e. By June 30, 1996, there shall be implemented a
 46 common intake, assessment, and client tracking system
 47 to determine the economic impact of the new workforce
 48 development system. The tracking system shall be able
 49 to track individuals who have received training or
 50 retraining to determine whether the training or

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1 retraining has resulted in increased wages for the
 2 individuals, shall contain information on individuals
 3 who have participated in or completed state subsidized
 4 training or retraining programs more than once at a
 5 particular community college or at different community
 6 colleges and whether the training or retraining was
 7 for the same business or different businesses, and
 8 shall provide information regarding the number of
 9 individuals who have received training or retraining
 10 who are unemployed.

11 4. For the workforce development initiative to be
 12 used to create model workforce development centers and
 13 provide an integrated management information system:

14 \$ 464,000

15 Sec. 10. ADMINISTRATIVE CONTRIBUTION SURCHARGE
 16 FUND. There is appropriated from the administrative
 17 contribution surcharge fund of the state to the
 18 department of employment services for the fiscal year
 19 beginning July 1, 1995, and ending June 30, 1996, the
 20 following amount, or so much thereof as is necessary,
 21 for the purposes designated:

22 DIVISION OF JOB SERVICE

23 Notwithstanding section 96.7, subsection 12,
 24 paragraph "c", for salaries, support, maintenance,
 25 conducting labor availability surveys, miscellaneous
 26 purposes, and for not more than the following full-
 27 time equivalent positions:

28 \$ 5,904,000

29 FTES 149.72

30 1. The department of employment services shall
 31 provide services throughout the fiscal year beginning
 32 July 1, 1995, and ending June 30, 1996, in all
 33 communities in which workforce centers are operating
 34 on July 1, 1993. However, this provision shall not
 35 prevent the consolidation of multiple offices within
 36 the same city or the colocation of workforce centers
 37 with another public agency.

38 2. The division of industrial services shall not
 39 reduce the number of scheduled hearings of contested
 40 cases or eliminate the venue of such hearings, as
 41 established by the division for the period beginning
 42 January 1, 1995, and ending January 20, 1996. The
 43 division shall also establish a substantially similar
 44 schedule for such hearings for the period beginning
 45 January 20, 1996, and ending June 30, 1996. The
 46 division shall report to the legislative fiscal bureau
 47 concerning any modification of the established
 48 schedule, or any changes which the division determines
 49 are necessary in establishing the schedule for the
 50 period beginning January 20, 1996, and ending June 30,

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1 1996.

2 3. The division shall continue charging a \$65
3 filing fee for workers' compensation cases. The
4 filing fee shall be paid by the petitioner of a claim.
5 However, the fee can be taxed as a cost and paid by
6 the losing party, except in cases where it would
7 impose an undue hardship or be unjust under the
8 circumstances.

9 Sec. 11. EMPLOYMENT SECURITY CONTINGENCY FUND.
10 There is appropriated from the special employment
11 security contingency fund to the department of
12 employment services for the fiscal year beginning July
13 1, 1995, and ending June 30, 1996, the following
14 amounts, or so much thereof as is necessary, for the
15 purposes designated and subject to the requirement
16 that the appropriation to the division of labor
17 services under this section be fully funded from the
18 special employment security contingency fund prior to
19 any amounts being used to fund the appropriation made
20 to the division of industrial services under this
21 section:

22	1. DIVISION OF LABOR SERVICES		
23	For salaries, support, maintenance, and		
24	miscellaneous purposes:		
25	\$	296,000
26	2. DIVISION OF INDUSTRIAL SERVICES		
27	For salaries, support, maintenance, and		
28	miscellaneous purposes:		
29	\$	175,000

30 Any additional penalty and interest revenue may be
31 used to accomplish the mission of the department.

32 Sec. 12. PUBLIC EMPLOYMENT RELATIONS BOARD. There
33 is appropriated from the general fund of the state to
34 the public employment relations board for the fiscal
35 year beginning July 1, 1995, and ending June 30, 1996,
36 the following amount, or so much thereof as is
37 necessary, for the purposes designated:

38	For salaries, support, maintenance, miscellaneous		
39	purposes, and for not more than the following full-		
40	time equivalent positions:		
41	\$	755,000
42	FTEs	12.80

43 Sec. 13. There is appropriated from the general
44 fund of the state to the Iowa finance authority for
45 the fiscal year beginning July 1, 1995, and ending
46 June 30, 1996, the following amount, or so much
47 thereof as is necessary, to be used for the purpose
48 designated:

49 For deposit in the housing improvement fund created
50 in section 16.100 for purposes of the fund:

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1 \$ 510,000
 2 Sec. 14. There is appropriated from the general
 3 fund of the state to the division of insurance of the
 4 department of commerce for the fiscal year beginning
 5 July 1, 1995, and ending June 30, 1996, the following
 6 amount, or so much thereof as is necessary, to be used
 7 for the purpose designated provided that Senate File
 8 347 is enacted:

9 For an actuarial study to determine the cost of
 10 requiring health insurance policies for individuals to
 11 include mental health and substance abuse treatment as
 12 covered items:
 13 \$ 25,000

14 Sec. 15. Section 15.317, Code 1995, is amended by
 15 adding the following new subsection:

16 NEW SUBSECTION. 4. Assistance approved by the
 17 board shall be utilized by the business within two
 18 years of the date of the approval of the assistance.
 19 Funds not utilized in accordance with this subsection
 20 shall revert to the control of the board. The
 21 business may reapply for assistance in that case.

22 Sec. 16. FEDERAL GRANTS. All federal grants to
 23 and the federal receipts of agencies appropriated
 24 funds under this Act, not otherwise appropriated, are
 25 appropriated for the purposes set forth in the federal
 26 grants or receipts unless otherwise provided by the
 27 general assembly.

28 Sec. 17. BUDGET UNIT DESIGNATIONS. The department
 29 of management shall, prior to January 15, 1996,
 30 conform all budget unit designations to the
 31 designations used in the Code.

32 Sec. 18. Notwithstanding any other provision, any
 33 unencumbered or unobligated balance on June 30, 1995,
 34 in the targeted small business financial assistance
 35 program account created in section 15.247, including
 36 moneys remaining in any reserve account within the
 37 program account for guaranteed loans that have been
 38 repaid, shall be transferred out of the program
 39 account, including the appropriate reserve accounts,
 40 and deposited to the credit of the Iowa strategic
 41 investment fund created in section 15.313 and shall be
 42 appropriated to the department of economic development
 43 for purposes of the Iowa strategic investment fund
 44 targeted small business financial assistance program.

45 Sec. 19. Chapter 38, Code 1995, is repealed.

46 Sec. 20. EFFECTIVE DATE. The provisions relating
 47 to implementing the reorganization of the small
 48 business resource office in section 1, subsection 2,
 49 paragraph "b" of this Act, being deemed of immediate
 50 importance, take effect upon enactment."

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1 2. Title page, by striking lines 1 through 7 and
2 inserting the following: "An Act appropriating funds
3 to the department of economic development, the Iowa
4 finance authority, the Wallace technology transfer
5 foundation, division of insurance of the department of
6 commerce, the Iowa seed capital corporation, the
7 international development foundation, the public
8 employment relations board, and the department of
9 employment services, making related statutory changes,
10 and providing an immediate effective date."

By TOM VILSACK

S-3401 FILED APRIL 12, 1995

ADOPTED

(P.1173)

Vilsack
Murphy
Gorlaing

SSB-345

Succeeded By Appropriation
SF/HF
SENATE FILE 463

BY (PROPOSED SENATE APPROPRIATIONS
SUBCOMMITTEE ON ECONOMIC
DEVELOPMENT BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act appropriating funds to the department of economic
2 development, the Iowa finance authority, the Wallace
3 technology transfer foundation, division of insurance of the
4 department of commerce, the public employment relations board,
5 the Iowa seed capital corporation, the international
6 development foundation, and the department of employment
7 services and making related statutory changes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1 There is appropriated from the general fund of
2 the state and other designated funds to the department of
3 economic development for the fiscal year beginning July 1,
4 1995, and ending June 30, 1996, on the condition that the
5 department shall not use any moneys appropriated under this
6 Act for further expansion of industrial site locator programs
7 until the industrial site locator program at the university of
8 northern Iowa is completed and fully implemented and the
9 department and the university have reported to the general
10 assembly on plans for coordination and cooperation between the
11 department and the university, including access by the
12 department to the database and technology of the university
13 program, the following amounts, or so much thereof as is
14 necessary, to be used for the purposes designated:

15 1. ADMINISTRATIVE SERVICES DIVISION

16 a. General administration

17 For salaries, support, maintenance, miscellaneous purposes,
18 for providing that a business receiving moneys from the
19 department for the purpose of job creation shall make
20 available ten percent of the new jobs created for promise jobs
21 program participants, who are qualified for the jobs and for
22 allocating \$50,000 for regulatory assistance programs:

23	\$	900,000
24	FTEs	21.00

25 The director shall coordinate efforts with the workforce
26 coordinator to implement the intent of the general assembly
27 regarding businesses receiving job creation moneys and shall
28 report to the joint economic development appropriations
29 subcommittee regarding the number of jobs to be created by
30 each business, the number of qualified promise jobs
31 participants applying with the business, and the number of
32 promise jobs participants hired.

33 b. Primary research and computer center

34 For salaries, support, maintenance, miscellaneous purposes,
35 and for not more than the following full-time equivalent

1 positions:

2	\$	300,000
3	FTEs	5.50

4 2. BUSINESS DEVELOPMENT DIVISION

5 a. Business development operations

6 For salaries, support, maintenance, miscellaneous purposes,
7 and for not more than the following full-time equivalent

8 positions:

9	\$	2,950,000
10	FTEs	16.00

11 b. Small business programs

12 For salaries, support, maintenance, miscellaneous purposes,
13 and for not more than the following full-time equivalent

14 positions for the small business program, the small business

15 advisory council, targeted small business program, business

16 incubators, for providing 1.00 FTE for the targeted small

17 business compliance officer who shall continue to work jointly

18 with the department of management:

19	\$	370,000
20	FTEs	6.50

21 c. Federal procurement office

22 For salaries, support, maintenance, miscellaneous purposes,
23 providing for the assessment of charges to businesses

24 benefitting from the services provided by the federal

25 procurement office, and for not more than the following full-

26 time equivalent positions:

27	\$	90,000
28	FTEs	3.00

29 Notwithstanding section 8.33, moneys remaining unencumbered
30 or unobligated on June 30, 1996, shall not revert and shall be

31 available for expenditure during the fiscal year beginning

32 July 1, 1996, for the same purposes.

33 d. Strategic investment fund

34 For deposit in the strategic investment fund for salaries,
35 support, and for not more than the following full-time

1 equivalent positions:

2 \$ 5,000,000

3 FTEs 10.00

4 e. Targeted small business incubator

5 Moneys appropriated for fiscal year 1995 and not expended
6 by June 30, 1995, shall not revert but shall be held by the
7 department for funding, with local matching funds, the
8 targeted small business incubator in Des Moines for the fiscal
9 year beginning July 1, 1995, and ending June 30, 1996.

10 f. Insurance economic development

11 There is appropriated from moneys collected by the division
12 of insurance in excess of the anticipated gross revenues under
13 section 505.7, subsection 3, to the department for the fiscal
14 year beginning July 1, 1995, and ending June 30, 1996, the
15 following amount, or so much thereof as is necessary, for
16 insurance economic development and international insurance
17 economic development:

18 \$ 200,000

19 3. COMMUNITY AND RURAL DEVELOPMENT DIVISION

20 a. Community assistance

21 For salaries, support, maintenance, miscellaneous purposes,
22 and for not more than the following full-time equivalent
23 positions for administration of the community economic
24 preparedness program, the Iowa community betterment program,
25 and the city development board, and for allocating \$50,000 for
26 the junior olympics:

27 \$ 615,000

28 FTEs 7.50

29 b. Main street/rural main street program

30 For salaries and support for not more than the following
31 full-time equivalent positions:

32 \$ 379,000

33 FTEs 3.00

34 Notwithstanding section 8.33, moneys committed to grantees
35 under contract from the general fund of the state that remain

1 unexpended on June 30 of the fiscal year shall not revert to
2 any fund but shall be available for expenditure for purposes
3 of the contract during the succeeding fiscal year.

4 c. Rural development program

5 For salaries, support, maintenance, miscellaneous purposes,
6 for not more than the following full-time equivalent positions
7 for rural resource coordination, rural community leadership,
8 the rural enterprise fund, and for \$100,000 to be allocated
9 competitively to ten to twenty communities for direct purchase
10 of services or goods that meet local development needs or to
11 enhance heritage and tourism efforts from state and private
12 sources:

13	\$	629,000
14	FTEs	4.50

15 There is also appropriated from the rural community 2000
16 program revolving fund established in section 15.287 to the
17 rural development program for the purposes of the program
18 including the rural enterprise fund and collaborative skills
19 development training:

20	\$	226,000
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21 Notwithstanding section 8.33, moneys committed to grantees
22 under contract from the general fund of the state or through
23 transfers from the Iowa community development loan fund or
24 from the rural community 2000 program revolving fund that
25 remain unexpended at the end of the fiscal year shall not
26 revert but shall be available for expenditure for purposes of
27 the contract during the succeeding fiscal year.

28 d. Community development block grant and HOME

29 For administration and related federal housing and urban
30 development grant administration for salaries, support,
31 maintenance, miscellaneous purposes, and for not more than the
32 following full-time equivalent positions:

33	\$	390,000
34	FTEs	18.76

35 e. Community voice mail program

1 For a community voice mail program for homeless or
2 emergency shelters, to be coordinated with the Iowa finance
3 authority:
4 \$ 10,000

5 f. Councils of governments
6 There is appropriated from the rural community 2000 program
7 revolving fund established in section 15.287 to provide to
8 Iowa's councils of governments funds for planning and
9 technical assistance funds to assist local governments to
10 develop community development strategies for addressing long-
11 term and short-term community needs:
12 \$ 178,000

13 4. INTERNATIONAL DIVISION

14 a. International trade operations
15 For conducting foreign trade missions on behalf of Iowa
16 businesses, salaries, support, maintenance, miscellaneous
17 purposes, and for not more than the following full-time
18 equivalent positions:
19 \$ 725,000
20 FTEs 6.00

21 b. Foreign trade offices
22 For salaries, support, maintenance, miscellaneous purposes,
23 and for not more than the following full-time equivalent
24 positions:
25 \$ 565,000

26 c. Export trade assistance program
27 For export trade activities, including the establishment by
28 the department of a fee schedule sufficient to fund the
29 program at an adequate level and a program to encourage and
30 increase participation in trade shows and trade missions by
31 providing financial assistance to businesses for a percentage
32 of their costs of participating in trade shows and trade
33 missions, by providing for the lease/sublease of showcase
34 space in existing world trade centers, by providing temporary
35 office space for foreign buyers, international prospects, and

1 potential reverse investors, and by providing other
 2 promotional and assistance activities, provided that the
 3 department shall consult with the department of agriculture
 4 and land stewardship prior to allocating export trade
 5 assistance program moneys, including salaries and support for
 6 not more than the following full-time equivalent positions:
 7 \$ 200,000
 8 FTEs 0.25
 9 d. Agricultural product advisory council
 10 For support, maintenance, and miscellaneous purposes:
 11 \$ 1,330
 12 e. For transfer to the partner state program which the
 13 department may use to contract with private groups or
 14 organizations which are the most appropriate to administer
 15 this program and the groups and organizations participating in
 16 the program shall, to the fullest extent possible, provide the
 17 funds to match the appropriation made in this subsection of
 18 the funds transferred:
 19 \$ 50,000
 20 5. TOURISM DIVISION
 21 a. Tourism operations and film office
 22 For salaries, support, maintenance, miscellaneous purposes,
 23 and for not more than the following full-time equivalent
 24 positions, provided that the appropriation shall not be used
 25 for advertising placements for in-state and out-of-state
 26 tourism marketing:
 27 \$ 875,000
 28 FTEs 19.27
 29 b. Tourism advertising
 30 For contracting exclusively for tourism advertising for in-
 31 state and out-of-state tourism marketing services, tourism
 32 promotion programs, electronic media, print media, and printed
 33 materials and for allocating \$400,000 for advertising for the
 34 sesquicentennial:
 35 \$ 2,787,000

1 The department shall not use the moneys appropriated in
2 this lettered paragraph unless the department develops public-
3 private partnerships with Iowa businesses in the tourism
4 industry, Iowa tour groups, Iowa tourism organizations, and
5 political subdivisions in this state to assist in the
6 development of advertising efforts. The department shall, to
7 the fullest extent possible, develop cooperative efforts for
8 advertising with contributions from other sources.

9 c. Welcome center program

10 To implement the recommendations of the statewide long-
11 range plan for developing and operating welcome centers
12 throughout the state:

13 \$ 240,000

14 6. WORKFORCE DEVELOPMENT DIVISION

15 a. Youth work force programs

16 For purposes of the conservation corps, including salary,
17 support, maintenance, miscellaneous purposes, and for not more
18 than the following full-time equivalent positions:

19 \$ 952,000

20 FTEs 2.40

21 Notwithstanding section 8.33, moneys committed to grantees
22 under contract that remain unexpended on June 30 of the fiscal
23 year shall not revert to any fund but shall be available for
24 expenditure for purposes of the contract during the succeeding
25 fiscal year.

26 b. There is appropriated from the rural community 2000
27 program revolving fund established in section 15.287 to the
28 community college job training fund created in section 260F.6,
29 subsection 1, \$225,000. It is the intent of the general
30 assembly that up to \$101,894 of all funds appropriated to the
31 program and some or all of the full-time equivalent positions
32 may be used for the administration of the Iowa small business
33 new jobs training Act.

34 c. Workforce investment program

35 For allocating \$450,000 for funding, to the extent

1 possible, the currently existing high technology
2 apprenticeship programs under section 260C.44 at the community
3 colleges, and for the purposes of the workforce investment
4 program, for a competitive grant program by the department in
5 consultation with the state job training coordinating council
6 for projects that increase Iowa's pool of available labor via
7 training and support services with priority given to projects
8 which serve displaced homemakers or welfare recipients,
9 including salaries and support for not more than the following
10 full-time equivalent positions:

11 \$ 928,000
12 FTEs 0.90

13 The department shall ensure that the workforce investment
14 program is coordinated with services provided under the
15 federal Job Training Partnership Act and that welfare
16 recipients receive priority for services under both programs.

17 Notwithstanding section 8.33, moneys committed to grantees
18 under contract that remain unexpended at the end of the fiscal
19 year shall not revert to any fund but shall be available for
20 expenditure for purposes of the contract during the succeeding
21 fiscal year.

22 d. Labor management councils

23 For salaries, support, maintenance, miscellaneous purposes,
24 and for not more than the following full-time equivalent
25 positions:

26 \$ 114,000
27 FTEs 0.50

28 The department shall not use moneys appropriated in this
29 lettered paragraph for grants to grantees who do not
30 facilitate the active participation of labor as members of
31 labor management councils or who fail to make a good faith
32 effort to either schedule meetings during nonworking hours or
33 obtain voluntary agreements with employers to allow employees
34 time off to attend labor management council meetings with no
35 loss of pay or other benefits.

1 Notwithstanding section 8.33, moneys committed to grantees
2 under contract that remain unexpended on June 30 of the fiscal
3 year shall not revert to any fund but shall be available for
4 expenditure for purposes of the contract during the succeeding
5 fiscal year.

6 Sec. 2. Notwithstanding section 15E.120, subsections 5, 6,
7 and 7, and section 15.287, there is appropriated from the Iowa
8 community development loan fund from the moneys available
9 during the fiscal year beginning July 1, 1995, and ending June
10 30, 1996, to the department of economic development for the
11 rural development program to be used by the department for the
12 purposes of the program.

13 Sec. 3. Notwithstanding section 15.251, subsection 2,
14 there is appropriated from the job training fund created in
15 the office of the treasurer of state to the department of
16 economic development for the fiscal year beginning July 1,
17 1995, and ending June 30, 1996, the following amounts, or so
18 much thereof as is necessary, to be used for the purposes
19 designated:

20 1. For administration of chapter 260E, including salaries,
21 support, maintenance, miscellaneous purposes, and for not more
22 than the following full-time equivalent positions:

23	\$	160,000
24	FTEs	2.40

25 2. For the target alliance program:

26	\$	30,000
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27 Sec. 4. There is appropriated from the general fund of the
28 state to the Wallace technology transfer foundation for the
29 fiscal year beginning July 1, 1995, and ending June 30, 1996,
30 the following amount, or so much thereof as is necessary, to
31 be used for the purposes designated:

32 For salaries, support, maintenance, and other operational
33 purposes, for administering the industrial technology access
34 program, for approving and submitting to the governor and
35 general assembly not later than January 15 an annual report

1 relating to performance goals of and efforts by the foundation
2 to improve the modernization of industrial facilities, for
3 funding the small business innovation research program, for
4 transferring \$50,000 of the funds appropriated in this section
5 to the Iowa quality coalition for productivity enhancement
6 projects, and for not more than the following full-time
7 equivalent positions:

8 \$ 2,003,000
9 FTEs 4.00

10 Sec. 5. There is appropriated from the general fund of the
11 state to the Iowa seed capital corporation fund established in
12 section 15E.89, for not more than the following full-time
13 equivalent positions and for meeting the intent of the general
14 assembly that the Iowa seed capital corporation may expend all
15 funds remaining from the industrial technology access program
16 on June 30, 1995, for the purposes of the corporation:

17 \$ 508,000
18 FTEs 5.00

19 Sec. 6. There is appropriated from the general fund of the
20 state to the international development foundation for the
21 fiscal year beginning July 1, 1995, and ending on June 30,
22 1996, the following amount, or so much thereof as is
23 necessary, for salaries, support, maintenance, and the
24 purposes of the foundation, and for not more than the
25 following full-time equivalent positions:

26 \$ 50,000
27 FTEs 2.00

28 The international development foundation shall notify the
29 department of management by October 1, 1995, regarding whether
30 the foundation will receive federal funding during the state
31 fiscal year beginning July 1, 1995, and ending June 30, 1996.
32 If, for the federal fiscal year beginning October 1, 1995, and
33 ending September 30, 1996, no federal funding will be received
34 by the foundation during the state fiscal year beginning July
35 1, 1995, and ending June 30, 1996, the balance of the funds

1 allocated to the foundation in this paragraph shall revert to
2 the general fund of the state. Notwithstanding section 8.33,
3 if federal funding will be received by the foundation moneys
4 allocated to the foundation that remain unexpended on June 30
5 of the fiscal year shall not revert to any fund but shall be
6 available for expenditure for the purposes of the foundation
7 during the succeeding fiscal year. It is the intent of the
8 general assembly that funding for the foundation shall cease
9 after fiscal year 1996-1997.

10 Sec. 7. There is appropriated from the general fund of the
11 state to the Iowa state university of science and technology
12 for the fiscal year beginning July 1, 1995, and ending June
13 30, 1996, the following amounts, or so much thereof as is
14 necessary, to be used for the purposes designated:

15 1. For funding and maintaining in their current locations
16 the existing small business development centers including
17 allocating up to \$55,000 for salary increases for
18 nonuniversity employees and for funding not more than the
19 following full-time equivalent positions:

20	\$	1,207,000
21	FTEs	6.07

22 2. For funding the institute for physical research and
23 technology provided that \$418,358 shall be allocated to the
24 institute for physical research and technology industrial
25 incentive program in accordance with the intent of this
26 subsection and for not more than the following full-time
27 equivalent positions:

28	\$	4,071,000
29	FTEs	61.17

30 It is the intent of the general assembly that the incentive
31 program focus on Iowa industrial sectors and seek
32 contributions and in-kind donations from businesses,
33 industrial foundations, and trade associations and that moneys
34 for the institute for physical research and technology
35 industrial incentive program shall only be allocated for

1 projects which are matched by private sector moneys for
 2 directed contract research or for nondirected research. The
 3 match required of small businesses as defined in section
 4 15.102, subsection 4, for directed contract research or for
 5 nondirected research shall be \$1 for each \$3 of state funds.
 6 The match required for other businesses for directed contract
 7 research or for nondirected research shall be \$1 for each \$1
 8 of state funds. The match required of industrial foundations
 9 or trade associations shall be \$1 for each \$1 of state funds.
 10 Iowa state university shall report annually to the joint
 11 economic development subcommittee of the senate and house
 12 appropriations committees the total amounts of private
 13 contributions, the proportion of contributions from small
 14 businesses and other businesses, and the proportion for
 15 directed contract research and nondirected research of benefit
 16 to Iowa businesses and industrial sectors.

17 Notwithstanding section 8.33, moneys appropriated for any
 18 fiscal year which remain unobligated and unexpended at the end
 19 of the fiscal year shall not revert but shall be available for
 20 expenditure the following fiscal year.

21 Sec. 8. There is appropriated from the general fund of the
 22 state to the state university of Iowa for the fiscal year
 23 beginning July 1, 1995, and ending June 30, 1996, the
 24 following amount, or so much thereof as is necessary, to be
 25 used for the purpose designated:

26 For funding the advanced drug development program at the
 27 Oakdale research park and for not more than the following
 28 full-time equivalent positions:

29	\$	359,000
30	FTEs	2.85

31 The board of regents shall submit a report on the progress
 32 of regents institutions in meeting the strategic plan for
 33 technology transfer and economic development to the
 34 chairpersons of the joint appropriations subcommittee on
 35 economic development, the joint appropriations subcommittee on

1 education, the majority leader and minority leader of the
2 senate, the majority and minority leaders of the house of
3 representatives, the secretary of the senate, the chief clerk
4 of the house of representatives, and the legislative fiscal
5 bureau by November 1, 1995.

6 Sec. 9. Not later than July 1, 1995, the department of
7 economic development, with consultation and input from the
8 general assembly, and representatives from business, labor,
9 and education shall study and present recommendations to the
10 general assembly which shall include but not be limited to the
11 privatization and decentralization of Iowa's economic
12 development efforts, the identification of areas appropriate
13 to statewide economic development efforts and areas
14 appropriate for regional economic development efforts,
15 benchmark budgeting for statewide and regional efforts, the
16 deregulation of economic development activities, and
17 collaboration between public and private entities.

18 Sec. 10. DEPARTMENT OF EMPLOYMENT SERVICES. There is
19 appropriated from the general fund of the state provided that
20 the department not implement a reorganization plan without
21 prior approval, by concurrent resolution, of the general
22 assembly to the department of employment services for the
23 fiscal year beginning July 1, 1995, and ending June 30, 1996,
24 the following amounts, or so much thereof as is necessary, for
25 the purposes designated, including that the department of
26 employment services, the department of personnel, and the
27 department of management shall ensure that all nonsupervisory
28 full-time equivalent positions authorized and funded for the
29 department of employment services in this section will be
30 utilized during the fiscal year beginning July 1, 1995, and
31 ending June 30, 1996, and during future fiscal years, and will
32 not be held vacant, to ensure that the backlog of cases in
33 that department will be reduced as rapidly as possible:

34 1. DIVISION OF LABOR SERVICES

35 For salaries, support, maintenance, miscellaneous purposes,

1 and for not more than the following full-time equivalent
2 positions contingent upon the enactment of section 11 of this
3 Act and the provision which requires moneys appropriated from
4 the special employment security contingency fund to first be
5 used to fully fund the appropriation of \$296,000 to the
6 division of labor services in subsection 1 of section 12 of
7 this Act prior to funding the appropriation in section 12 of
8 this Act to the division of industrial services:

9 \$ 2,516,000
10 FTEs 88.00

11 From the contractor registration fees, the division of
12 labor services shall reimburse the department of inspections
13 and appeals for all costs associated with hearings under
14 chapter 91C, relating to contractor registration.

15 2. DIVISION OF INDUSTRIAL SERVICES

16 For salaries, support, maintenance, miscellaneous purposes,
17 and for not more than the following full-time equivalent
18 positions:

19 \$ 2,106,000
20 FTEs 33.00

21 3. For salaries, support, maintenance, miscellaneous
22 purposes, and for not more than the following full-time
23 equivalent positions for a workforce development coordinator
24 and council:

25 \$ 114,000
26 FTEs 1.00

27 The workforce development coordinator shall formulate a
28 five-year written implementation plan for the workforce
29 development initiative and shall implement a common intake,
30 assessment, and client tracking system by June 30, 1996, to
31 determine the economic impact of the workforce development
32 system. The coordinator shall annually provide a written
33 report no later than January 1 of each year to the department
34 of management and the legislative fiscal bureau indicating all
35 of the following:

1 a. The amounts of federal, state, and any other funds
2 expended to implement the workforce initiative.

3 b. The efficiencies achieved in terms of administrative
4 costs and other expenditures of the departments involved.

5 c. The location of each workforce center, staffing levels,
6 and the number of clients served.

7 d. Any other information deemed necessary by the
8 coordinator related to the progress and success in
9 implementing the initiative.

10 e. By June 30, 1996, there shall be implemented a common
11 intake, assessment, and client tracking system to determine
12 the economic impact of the new workforce development system.

13 4. For the workforce development initiative to be used to
14 create model workforce development centers and provide an
15 integrated management information system:

16 \$ 464,000

17 Sec. 11. ADMINISTRATIVE CONTRIBUTION SURCHARGE FUND.

18 There is appropriated from the administrative contribution
19 surcharge fund of the state to the department of employment
20 services for the fiscal year beginning July 1, 1995, and
21 ending June 30, 1996, the following amount, or so much thereof
22 as is necessary, for the purposes designated:

23 DIVISION OF JOB SERVICE

24 Notwithstanding section 96.7, subsection 12, paragraph "c",
25 for salaries, support, maintenance, conducting labor
26 availability surveys, miscellaneous purposes, and for not more
27 than the following full-time equivalent positions:

28 \$ 5,904,000

29 FTEs 149.72

30 1. The department of employment services shall provide
31 services throughout the fiscal year beginning July 1, 1995,
32 and ending June 30, 1996, in all communities in which
33 workforce centers are operating on July 1, 1993. However,
34 this provision shall not prevent the consolidation of multiple
35 offices within the same city or the colocation of workforce

1 centers with another public agency.

2 2. The division of industrial services shall not reduce
3 the number of scheduled hearings of contested cases or
4 eliminate the venue of such hearings, as established by the
5 division for the period beginning January 1, 1995, and ending
6 January 20, 1996. The division shall also establish a
7 substantially similar schedule for such hearings for the
8 period beginning January 20, 1996, and ending June 30, 1996.
9 The division shall report to the legislative fiscal bureau
10 concerning any modification of the established schedule, or
11 any changes which the division determines are necessary in
12 establishing the schedule for the period beginning January 20,
13 1996, and ending June 30, 1996.

14 3. The division shall continue charging a \$65 filing fee
15 for workers' compensation cases. The filing fee shall be paid
16 by the petitioner of a claim. However, the fee can be taxed
17 as a cost and paid by the losing party, except in cases where
18 it would impose an undue hardship or be unjust under the
19 circumstances.

20 Sec. 12. EMPLOYMENT SECURITY CONTINGENCY FUND. There is
21 appropriated from the special employment security contingency
22 fund to the department of employment services for the fiscal
23 year beginning July 1, 1995, and ending June 30, 1996, the
24 following amounts, or so much thereof as is necessary, for the
25 purposes designated and subject to the requirement that the
26 appropriation to the division of labor services under this
27 section be fully funded from the special employment security
28 contingency fund prior to any amounts being used to fund the
29 appropriation made to the division of industrial services
30 under this section:

31 1. DIVISION OF LABOR SERVICES

32 For salaries, support, maintenance, and miscellaneous
33 purposes:

34 \$ 296,000

35 2. DIVISION OF INDUSTRIAL SERVICES

1 For salaries, support, maintenance, and miscellaneous
2 purposes:

3 \$ 175,000

4 Any additional penalty and interest revenue may be used to
5 accomplish the mission of the division.

6 Sec. 13. PUBLIC EMPLOYMENT RELATIONS BOARD. There is
7 appropriated from the general fund of the state to the public
8 employment relations board for the fiscal year beginning July
9 1, 1995, and ending June 30, 1996, the following amount, or so
10 much thereof as is necessary, for the purposes designated:

11 For salaries, support, maintenance, miscellaneous purposes,
12 and for not more than the following full-time equivalent
13 positions:

14 \$ 755,000

15 FTEs 12.80

16 Sec. 14. There is appropriated from the general fund of
17 the state to the Iowa finance authority for the fiscal year
18 beginning July 1, 1995, and ending June 30, 1996, the
19 following amount, or so much thereof as is necessary, to be
20 used for the purpose designated:

21 For deposit in the housing improvement fund created in
22 section 16.100 for purposes of the fund:

23 \$ 1,000,000

24 Sec. 15. There is appropriated from the general fund of
25 the state to the division of insurance of the department of
26 commerce for the fiscal year beginning July 1, 1995, and
27 ending June 30, 1996, the following amount, or so much thereof
28 as is necessary, to be used for the purpose designated:

29 For an actuarial study to determine the cost of requiring
30 health insurance policies for individuals to include mental
31 health and substance abuse treatment as covered items:

32 \$ 25,000

33 Sec. 16. Section 15.317, Code 1995, is amended by adding
34 the following new subsection:

35 NEW SUBSECTION. 4. Assistance approved by the board shall

1 be utilized by the business within two years of the date of
2 the approval of the assistance. Funds not utilized in
3 accordance with this subsection shall revert to the control of
4 the board. The business may reapply for assistance in that
5 case.

6 Sec. 17. Section 16.2, subsection 1, Code 1995, is amended
7 to read as follows:

8 1. The Iowa finance authority is established, and
9 constituted a public instrumentality and agency of the state
10 exercising public and essential governmental functions, to
11 undertake programs which assist in attainment of adequate
12 housing for low or moderate income families, elderly families,
13 and families which include one or more persons who are
14 handicapped or disabled, and to undertake the Iowa
15 homesteading program, the small business loan program, the
16 export business finance program, the title guaranty program,
17 and other finance programs. The powers of the authority are
18 vested in and shall be exercised by a board of nine members
19 appointed by the governor subject to confirmation by the
20 senate. No more than five members shall belong to the same
21 political party. As far as possible the governor shall
22 include within the membership persons who represent community
23 and housing development industries, housing finance
24 industries, the real estate sales industry, elderly families,
25 minorities, lower income families, very low income families,
26 handicapped and disabled families, average taxpayers, local
27 government, business and international trade interests, and
28 any other person specially interested in community housing,
29 finance, small business, or export business development.

30 A title guaranty division program is created within the
31 authority. The authority shall exercise all powers of under
32 the division program relating to the issuance of title
33 ~~guaranties are vested in and shall be exercised by a division~~
34 ~~board of five members appointed by the governor subject to~~
35 ~~confirmation by the senate. The membership of the board shall~~

1 include an attorney, an abstractor, a real estate broker, a
2 representative of a mortgage lender, and a representative of
3 the housing development industry. The executive director of
4 the authority shall appoint an attorney as director of the
5 title guaranty division who shall serve as an ex-officio
6 member of the board program. The appointment of and
7 compensation for the division program director are exempt from
8 the merit system provisions of chapter 19A.

9 a. Members of the board of the division shall be appointed
10 by the governor for staggered terms of six years beginning and
11 ending as provided in section 69.19. A person shall not serve
12 on the division board while serving on the authority board. A
13 person appointed to fill a vacancy shall serve only for the
14 unexpired portion of the term. A member is eligible for
15 reappointment. A member of the division board may be removed
16 from office by the governor for misfeasance, malfeasance or
17 willful neglect of duty or for other just cause, after notice
18 and hearing, unless notice and hearing is expressly waived in
19 writing.

20 b. Three members of the board shall constitute a quorum.
21 An affirmative vote of a majority of the appointed members is
22 necessary for any substantive action taken by the division.

23 c. Members of the board are entitled to receive a per diem
24 as specified in section 7E-6 for each day spent in performance
25 of duties as members and shall be reimbursed for all actual
26 and necessary expenses incurred in the performance of duties
27 as members.

28 d. a. Members of the board and the The director shall give
29 bond as required for public officers in chapter 64.

30 e. Meetings of the board shall be held at the call of the
31 chair of the board or on written request of two members.

32 f. Members shall elect a chair and vice chair annually and
33 other officers as they determine. The director shall serve as
34 secretary to the board.

35 g. b. The net earnings of the division program, beyond

1 that necessary for reserves, backing, guaranties issued or to
2 otherwise implement the public purposes and programs
3 authorized, shall not inure to the benefit of any person other
4 than the state and are subject to subsection 8.

5 Sec. 18. Section 16.5, subsection 15, Code 1995, is
6 amended to read as follows:

7 15. Through the title guaranty division program, make and
8 issue title guaranties on Iowa real property in a form
9 acceptable to the secondary market, to fix and collect the
10 charges for the guaranties and to procure reinsurance against
11 any loss in connection with the guaranties.

12 Sec. 19. Section 16.91, Code 1995, is amended to read as
13 follows:

14 16.91 TITLE GUARANTY PROGRAM.

15 1. The authority through-the-title-guaranty-division shall
16 initiate and operate a title guaranty program in which the
17 division authority shall offer guaranties of real property
18 titles in this state. The terms, conditions and form of the
19 guaranty contract shall be forms approved by the division
20 board authority. The division authority shall fix a charge
21 for the guaranty in an amount sufficient to permit the program
22 to operate on a self-sustaining basis, including payment of
23 administrative costs and the maintenance of an adequate
24 reserve against claims under the title guaranty program. A
25 title guaranty fund is created in the office of the treasurer
26 of state. Funds collected under this program shall be placed
27 in the title guaranty fund and are available to pay all
28 claims, necessary reserves and all administrative costs of the
29 title guaranty program. Moneys in the fund shall not revert
30 to the general fund and interest on the moneys in the fund
31 shall be retained as a part of the fund and shall not accrue
32 to the general fund. If the authority board in-consultation
33 with-the-division-board determines that there are surplus
34 funds in the title guaranty fund after providing for adequate
35 reserves and operating expenses of for the division program,

1 the surplus funds shall be transferred to the housing program
2 fund created pursuant to section 16.40.

3 2. A title guaranty issued under this program is an
4 obligation of the ~~division~~ authority only and claims are
5 payable solely and only out of the moneys, assets and revenues
6 of the title guaranty fund and are not an indebtedness or
7 liability of the state. The state is not liable on the
8 guaranties.

9 3. ~~With-the-approval-of-the~~ The authority board-~~the~~
10 ~~division-and-its-board~~ shall consult with the insurance
11 division of the department of commerce in developing a
12 guaranty contract acceptable to the secondary market and
13 developing any other feature of the program with which the
14 insurance division may have special expertise. The insurance
15 division shall establish the amount for a loss reserve fund.
16 Except as provided in this subsection, the title guaranty
17 program is not subject to the jurisdiction of or regulation by
18 the insurance division or the commissioner of insurance.

19 4. Each participating attorney and abstractor may be
20 required to pay an annual participation fee to be eligible to
21 participate in the title guaranty program. The fee, if any,
22 shall be set by the ~~division~~, ~~subject-to-the-approval-of-the~~
23 authority.

24 5. The participation of abstractors and attorneys shall be
25 in accordance with rules ~~established-by-the-division-and~~
26 adopted by the authority pursuant to chapter 17A. Each
27 participant shall at all times maintain liability coverage in
28 amounts approved by the ~~division~~ authority. Upon payment of a
29 ~~claim-by-the-division~~, ~~the-division~~ under the program, the
30 authority shall be subrogated to the rights of the claimant
31 against all persons relating to the claim.

32 Additionally, each participating abstractor is required to
33 own or lease, and maintain and use in the preparation of
34 abstracts, an up-to-date abstract title plant including tract
35 indices for real estate for each county in which abstracts are

1 prepared for real property titles guaranteed by the division
2 program. The tract indices shall contain a reference to all
3 instruments affecting the real estate which are recorded in
4 the office of the county recorder, and shall commence not less
5 than forty years prior to the date the abstractor commences
6 participation in the title guaranty program. However, a
7 participating attorney providing abstract services
8 continuously from November 12, 1986, to the date of
9 application, either personally or through persons under the
10 attorney's supervision and control is exempt from the
11 requirements of this paragraph.

12 The division authority may waive the requirements of this
13 subsection pursuant to an application of an attorney or
14 abstractor which shows that the requirements impose a hardship
15 to the attorney or abstractor and that the waiver clearly is
16 in the public interest or is absolutely necessary to ensure
17 availability of title guaranties throughout the state.

18 6. Prior to the issuance of a title guaranty, the division
19 authority shall require evidence that an abstract of title to
20 the property in question has been brought up-to-date and
21 certified by a participating abstractor in a form approved by
22 division authority rules and a title opinion issued by a
23 participating attorney in the form approved in the rules
24 stating the attorney's opinion as to the title. The division
25 authority shall require evidence of the abstract being brought
26 up-to-date and the abstractor shall retain evidence of the
27 abstract as determined by the board.

28 7. The attorney rendering a title opinion shall be
29 authorized to issue a title guaranty certificate subject to
30 the rules of the authority.

31 8. The authority shall adopt rules pursuant to chapter 17A
32 that are necessary for the implementation of the title
33 guaranty program as established by the ~~division-and-that-have~~
34 ~~been-approved-by-the~~ authority.

35 Sec. 20. FEDERAL GRANTS. All federal grants to and the

1 federal receipts of agencies appropriated funds under this
2 Act, not otherwise appropriated, are appropriated for the
3 purposes set forth in the federal grants or receipts unless
4 otherwise provided by the general assembly.

5 Sec. 21. Notwithstanding any other provision, any
6 unencumbered or unobligated balance on June 30, 1995, in the
7 targeted small business financial assistance program account
8 created in section 15.247, including moneys remaining in any
9 reserve account within the program account for guaranteed
10 loans that have been repaid, shall be transferred out of the
11 program account, including the appropriate reserve accounts,
12 and deposited to the credit of the Iowa strategic investment
13 fund created in section 15.313 and shall be appropriated to
14 the department of economic development for purposes of the
15 Iowa strategic investment fund targeted small business self-
16 employment loan program.

17 Sec. 22. BUDGET UNIT DESIGNATIONS. The department of
18 management shall, prior to January 15, 1996, conform all
19 budget unit designations to the designations used in the Code.

20 Sec. 23. Chapter 38, Code 1995, is repealed.

21 EXPLANATION

22 This bill makes appropriations and transfers from the
23 general fund and other funds to the department of economic
24 development, the department of employment services, the
25 insurance division of the department of commerce, the public
26 employment relations board, the Wallace technology transfer
27 foundation, the Iowa seed capital corporation, the
28 international development foundation, and the Iowa finance
29 authority. The bill also eliminates the Iowa finance
30 authority's title guarantee division while maintaining the
31 title guarantee program.

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