

3-7-96 State Gov.  
3-12-96 Do Pass

**REPRINTED**

**FILED MAR 4 1996**

SENATE FILE 2409  
BY COMMITTEE ON SMALL BUSINESS,  
ECONOMIC DEVELOPMENT, AND  
TOURISM

(SUCCESSOR TO SSB 2328)

Passed Senate, <sup>(p. 798)</sup> Date 3/14/96 Passed House, <sup>(p. 1392)</sup> Date 4/3/96  
Vote: Ayes 33 Nays 16 Vote: Ayes 65 Nays 30  
Approved 5/2/96

**A BILL FOR**

1 An Act relating to workforce development by establishing a  
2 workforce development department, by eliminating the  
3 department of employment services, and including workforce  
4 development programs in the new department, by providing for  
5 state privatization contracts, and by establishing a workforce  
6 development board and regional advisory boards.

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

**SENATE FILE 2409**

**S-5254**

- 1 Amend Senate File 2409 as follows:
- 2 1. Page 1, line 17, by striking the words "In
- 3 performing these" and inserting the following:
- 4 "b. In performing these the".
- 5 2. Page 1, line 18, by inserting after the word
- 6 "duties" the following: "set out in paragraph "a"".
- 7 3. Page 6, by striking lines 23 through 34 and
- 8 inserting the following: "control the budget of the
- 9 department and its divisions and shall approve the
- 10 employment of all personnel of the department and its
- 11 divisions."
- 12 4. Page 7, line 30, by inserting after the word
- 13 "labor." the following: "The labor representatives o
- 14 the board shall be appointed by the governor upon the
- 15 recommendations of statewide labor organizations."
- 16 5. By striking page 18, line 35, through page 19,
- 17 line 21, and inserting the following: "Sec. 25."

By TOM VILSACK

REPRINTED

1 Section 1. Section 15.108, subsection 6, Code 1995, is  
2 amended to read as follows:

3 6. JOB EMPLOYEE TRAINING AND ENTREPRENEURIAL-ASSISTANCE  
4 RETRAINING. To develop job employee training and retraining  
5 strategies in coordination with the department of education  
6 and department of workforce development as tools for business  
7 development, business expansion, and enhanced competitiveness  
8 of Iowa industry, which will promote economic growth and the  
9 creation of new job opportunities and to administer related  
10 programs ~~including the federal Job Training Partnership Act.~~

11 To carry out this responsibility, the department shall:

12 a. Coordinate and perform the duties specified under the  
13 ~~job-training-partnership-program-in-chapter-7B,~~ the Iowa  
14 industrial new jobs training Act in chapter 260E, and the Iowa  
15 small business new jobs training Act in chapter 260F, the  
16 workforce development fund in section 15.341, and the loan  
17 loss reserve account in section 15.345. In performing these  
18 duties, the department shall:

19 ~~(1)--Develop-a-job-training-delivery-system-which-will~~  
20 ~~minimize-administrative-costs-through-a-single-delivery~~  
21 ~~system,-maximize-the-use-of-public-and-private-resources-for~~  
22 ~~job-training-initiatives,-and-assume-the-coordination-of-ser-~~  
23 ~~vices-and-activities-with-other-related-programs-at-both-the~~  
24 ~~state-and-local-level.~~

25 ~~(2)--Manage-a-job-training-program-reporting-and-evaluation~~  
26 ~~system-which-will-measure-program-performance,-identify~~  
27 ~~program-accomplishments-and-service-levels,-evaluate-how-well~~  
28 ~~job-training-programs-are-being-coordinated-among-themselves~~  
29 ~~and-with-other-related-programs,-and-show-areas-where-job~~  
30 ~~training-efforts-need-to-be-improved.~~

31 ~~(3)--Maintain-a-financial-management-system,-file~~  
32 ~~appropriate-administrative-rules,-and-monitor-the-performance~~  
33 ~~of-agencies-and-organizations-involved-with-the-administration~~  
34 ~~of-job-training-programs-assigned-to-the-department.~~

35 b.--Develop job training strategies which will promote

1 ~~economic-growth-and-the-creation-of-new-job-opportunities-~~

2 ~~Specifically,-the-department-shall:~~

3 (1) Work closely with representatives of business and  
4 industry, labor organizations, the council on human  
5 investment, the department of education, and the department of  
6 workforce development, and educational institutions to  
7 determine the job employee training needs of Iowa employers,  
8 and where possible, provide for the development of industry-  
9 specific training programs.

10 (2) Promote Iowa job employee training programs to  
11 potential and existing Iowa employers and to employer  
12 associations.

13 (3) Develop annual goals and objectives which will  
14 identify both short-term and long-term methods to improve  
15 program performance, create employment opportunities for  
16 residents, and enhance the delivery of services.

17 ~~Develop-job-training-and-technical-assistance-programs~~  
18 ~~which-will-promote-entrepreneurial-activities,-assist-small~~  
19 ~~businesses,-and-help-generate-off-farm-employment~~  
20 ~~opportunities-for-persons-engaged-in-farming. Stimulate the~~  
21 creation of innovative employee training and skills  
22 development activities, including business consortium and  
23 supplier network training programs, and new employee  
24 development training models.

25 (5) Coordinate job employee training activities with other  
26 economic development finance programs to stimulate job growth.

27 ~~Develop-policies-and-plans-under-the-youth-program~~  
28 ~~provisions-of-appropriate-programs-which-will-emphasize~~  
29 ~~employing-Iowa-youth-on-projects-designed-to-improve-Iowa~~  
30 ~~parks-and-recreation-areas,-restore-historical-sites,-and~~  
31 ~~promote-tourism.--The-department-shall-coordinate-its-youth~~  
32 ~~program-efforts-with-representatives-of-educational~~  
33 ~~institutions-to-promote-the-understanding-by-youth-of-career~~  
34 ~~opportunities-in-business-and-industry. Review workforce~~  
35 development initiatives as they relate to the state's economic

1 development agenda, recommending action as necessary to meet  
2 the needs of Iowa's communities and businesses.

3 (7) Incorporate workforce development as a component of  
4 community-based economic development activities.

5 ~~c.--To the extent feasible, develop from available state~~  
6 ~~and federal job training program resources an entrepreneurship~~  
7 ~~training program to help encourage the promotion of small~~  
8 ~~businesses within the state.--The department of education and~~  
9 ~~the state board of regents shall cooperate with the department~~  
10 ~~on this program.--The entrepreneurship training program shall~~  
11 ~~coordinate its activities with other financial and technical~~  
12 ~~assistance efforts within the department.~~

13 ~~d.--Administer the Iowa "self-employment loan program"~~  
14 ~~under section 15.241.~~

15 ~~e.--To the extent feasible, provide assistance to the~~  
16 ~~department of human services in obtaining a waiver to provide~~  
17 ~~self-employment opportunities to recipients of assistance~~  
18 ~~under the family investment program.~~

19 ~~f.--Provide assistance to workers seeking economic~~  
20 ~~conversion of closed or economically distressed plants located~~  
21 ~~in the state including, but not limited to, the following:~~

22 ~~(1)--Evaluating the feasibility and economic viability of~~  
23 ~~proposed employee-owned businesses.~~

24 ~~(2)--Working with the small business development centers to~~  
25 ~~provide technical assistance and counseling services~~  
26 ~~including, but not limited to, legal, tax, management,~~  
27 ~~marketing, labor, and contract assistance to persons who seek~~  
28 ~~to form employee-owned businesses.~~

29 ~~(3)--Assisting persons in obtaining financing for the~~  
30 ~~purchase and operation of employee-owned businesses.~~

31 Sec. 2. Section 15.108, subsection 7, Code 1995, is  
32 amended by adding the following new paragraph:

33 NEW PARAGRAPH. k. Administer the Iowa "self-employment  
34 loan program" under section 15.241.

35 Sec. 3. Section 15.108, subsection 9, paragraph a, Code

1 1995, is amended to read as follows:

2 a. Collect and assemble, or cause to have collected and  
3 assembled, all pertinent information available regarding the  
4 industrial, agricultural, and public and private recreation  
5 and tourism opportunities and possibilities of the state of  
6 Iowa, including raw materials and products that may be  
7 produced from them; power and water resources; transportation  
8 facilities; available markets; ~~the-availability-of-labor;~~ the  
9 banking and financing facilities; the availability of  
10 industrial sites; the advantages of the state as a whole, and  
11 the particular sections of the state, as industrial locations;  
12 the development of a grain alcohol motor fuel industry and its  
13 related products; and other fields of research and study as  
14 the board deems necessary. This information, as far as  
15 possible, shall consider both the encouragement of new  
16 industrial enterprises in the state and the expansion of  
17 industries now existing within the state, and allied fields to  
18 those industries. The information shall also consider the  
19 changing composition of the Iowa family, and the level of  
20 poverty among different age groups and different family  
21 structures in Iowa society, ~~and the-changing-composition-of~~  
22 ~~the-Iowa-work-force-and-the~~ their ~~impact of-these-changes~~ on  
23 Iowa families.

24 Sec. 4. Section 15.108, subsection 9, Code 1995, is  
25 amended by adding the following new paragraph:

26 NEW PARAGRAPH. f. Provide technical assistance to  
27 individuals who are pursuing the purchase and operation of  
28 employee-owned businesses.

29 Sec. 5. Section 15.343, subsection 1, paragraph a, Code  
30 Supplement 1995, is amended to read as follows:

31 a. Notwithstanding section 8.33, all unencumbered and  
32 unobligated funds from 1994 Iowa Acts, chapter 1201, section  
33 1, subsection 6, except paragraph "d", section 3, subsections  
34 1 and 3, and section 10, remaining on July 1, 1995, and all  
35 unencumbered and unobligated funds in the Iowa conservation

1 corps escrow account established in section ~~15-229~~ 84A.4 and  
2 the job training fund established in section 260F.6.

3 Sec. 6. Section 15.343, subsection 2, paragraph a, Code  
4 Supplement 1995, is amended to read as follows:

5 a. The Iowa conservation corps created in ~~sections-15-224~~  
6 ~~through-15-230~~ section 84A.4.

7 Sec. 7. Section 15.343, subsection 2, paragraph e, Code  
8 Supplement 1995, is amended to read as follows:

9 e. For the workforce investment program under section  
10 ~~15-348~~ 84A.5.

11 Sec. 8. NEW SECTION. 72.1A PRIVATIZATION CONTRACTS --  
12 WAGES AND BENEFITS.

13 Officers of the department of workforce development  
14 empowered to expend, or direct the expenditure of, public  
15 moneys of the state shall not enter into any contract which  
16 contemplates an expenditure of moneys to transfer the  
17 performance of services provided by the state using state  
18 employees as of the end of the previous fiscal year to an  
19 independent contractor or employees other than state employees  
20 or to provide new state services using an independent  
21 contractor or employees other than state employees, unless the  
22 wages or their equivalents paid to the independent contractors  
23 or private employees performing the services are equal to or  
24 exceed the wages paid to state workers who were performing the  
25 services or to state workers performing comparable services  
26 and unless the benefits paid to the independent contractors or  
27 private employees are comparable to those paid state  
28 employees.

29 Sec. 9. Section 84A.1, Code 1995, is amended to read as  
30 follows:

31 84A.1 DEPARTMENT OF EMPLOYMENT-SERVICES WORKFORCE  
32 DEVELOPMENT -- DIRECTOR -- DIVISIONS.

33 1. The department of employment-services workforce  
34 development is created to administer the laws of this state  
35 relating to unemployment compensation insurance, job placement

1 and training, employment safety, labor standards, and workers'  
2 compensation.

3 2. The chief executive officer of the department is the  
4 director who shall be appointed by the governor, subject to  
5 confirmation by the senate under the confirmation procedures  
6 of section 2.32. The director shall serve at the pleasure of  
7 the governor. ~~The director shall be subject to reconfirmation~~  
8 ~~by the senate, under the confirmation procedures of section~~  
9 ~~2.32, during the regular session of the general assembly~~  
10 ~~convening in January if the director will complete the~~  
11 ~~director's fourth year in office on or before the following~~  
12 ~~April 30.~~ The governor shall set the salary of the director  
13 within the applicable salary range established by the general  
14 assembly. The director shall be selected solely on the  
15 ability to administer the duties and functions granted to the  
16 director and the department and shall devote full time to the  
17 duties of the director. If the office of director becomes  
18 vacant, the vacancy shall be filled in the same manner as the  
19 original appointment was made.

20 The director of the department ~~of employment services~~ shall  
21 ~~serve as job service commissioner and shall,~~ subject to the  
22 requirements of section 84A.1B, prepare, administer, and  
23 control the budget of the department and its divisions ~~and~~  
24 ~~shall approve the employment of all personnel of the~~  
25 ~~department and its divisions.~~ The director shall employ  
26 personnel as necessary to carry out the duties and  
27 responsibilities of the department, consistent with the merit  
28 system provisions of chapter 19A for employees other than  
29 professional and technical employees. Professional and  
30 technical employees of the department are exempt from the  
31 merit system provisions of chapter 19A, except as otherwise  
32 required by federal law and regulation, and except for  
33 employees in the divisions of labor services and industrial  
34 services.

35 The director shall direct the administrative and compliance

1 functions and control the docket of the division of industrial  
2 services.

3 3. The department shall include ~~the division of job~~  
4 ~~service~~, the division of labor services, and the division of  
5 industrial services, and other divisions as appropriate.

6 Sec. 10. NEW SECTION. 84A.1A WORKFORCE DEVELOPMENT  
7 BOARD.

8 1. An Iowa workforce development board is created,  
9 consisting of eight voting members appointed by the governor  
10 and seven ex officio nonvoting members. The ex officio  
11 nonvoting members are four legislative members; one president  
12 or the president's designee of the university of northern  
13 Iowa, the university of Iowa, or Iowa state university of  
14 science and technology, designated by the state board of  
15 regents on a rotating basis; one representative from the  
16 largest statewide public employees' organization representing  
17 state employees; and one superintendent or the  
18 superintendent's designee of a community college, appointed by  
19 the Iowa association of community college presidents. The  
20 legislative members are two state senators, one appointed by  
21 the president of the senate, after consultation with the  
22 majority leader of the senate, and one appointed by the  
23 minority leader of the senate, after consultation with the  
24 president of the senate, from their respective parties; and  
25 two state representatives, appointed by the speaker after  
26 consultation with the majority and minority leaders of the  
27 house of representatives from their respective parties. Not  
28 more than five of the voting members shall be from the same  
29 political party and there shall be an equal number of  
30 representatives from business and labor. The governor shall  
31 appoint the eight voting members of the board for a term of  
32 four years beginning and ending as provided by section 69.19,  
33 subject to confirmation by the senate, and the governor's  
34 appointments shall include persons knowledgeable of the  
35 various elements of the department's responsibilities.

1     2. A vacancy on the board shall be filled in the same  
2 manner as regular appointments are made for the unexpired  
3 portion of the regular term.

4     3. The board shall meet in May of each year for the  
5 purpose of electing one of its voting members as chairperson  
6 and one of its voting members as vice chairperson. However,  
7 the chairperson and the vice chairperson shall not be from the  
8 same political party. The board shall meet at the call of the  
9 chairperson or when any five members of the board file a  
10 written request with the chairperson for a meeting. Written  
11 notice of the time and place of each meeting shall be given to  
12 each member of the board. A majority of the voting members  
13 constitutes a quorum.

14    4. Members of the board, the director, and other employees  
15 of the department shall be allowed their actual and necessary  
16 expenses incurred in the performance of their duties. All  
17 expenses shall be paid from appropriations for those purposes  
18 and the department is subject to the budget requirements of  
19 chapter 8. Each member of the board may also be eligible to  
20 receive compensation as provided in section 7E.6.

21    5. If a member of the board has an interest, either direct  
22 or indirect, in a contract to which the department is or is to  
23 be a party, the interest shall be disclosed to the board in  
24 writing and shall be set forth in the minutes of a meeting of  
25 the board. The member having the interest shall not  
26 participate in action by the board with respect to the  
27 contract. This subsection does not limit the right of a  
28 member of the board to acquire an interest in bonds, or limit  
29 the right of a member to have an interest in a bank or other  
30 financial institution in which the funds of the department are  
31 deposited or which is acting as trustee or paying agent under  
32 a trust indenture to which the department is a party.

33    Sec. 11. NEW SECTION. 84A.1B DUTIES OF THE WORKFORCE  
34 DEVELOPMENT BOARD.

35    The workforce development board shall do all of the

1 following:

2 1. Develop and coordinate the implementation of a twenty-  
3 year comprehensive workforce development plan of specific  
4 goals, objectives, and policies for the state. This plan  
5 shall be updated annually and revised as necessary. All other  
6 state agencies involved in workforce development activities  
7 and the regional advisory boards for workforce development  
8 shall annually submit to the board for its review and  
9 potential inclusion in the plan their goals, objectives, and  
10 policies.

11 2. Prepare a five-year strategic plan for state workforce  
12 development to implement the specific comprehensive goals,  
13 objectives, and policies of the state. All other state  
14 agencies involved in workforce development activities and the  
15 regional advisory boards for workforce development shall  
16 annually submit to the board for its review and potential  
17 inclusion in the strategic plan their specific strategic plans  
18 and programs. The five-year strategic plan for state  
19 workforce development shall be updated annually.

20 3. Develop a method of evaluation of the attainment of  
21 goals and objectives from pursuing the policies of the five-  
22 year and twenty-year plans.

23 4. Implement the requirements of chapter 73.

24 5. Approve the budget of the department as prepared by the  
25 director.

26 6. Establish guidelines, procedures, and policies for the  
27 awarding of grants or contracts administered by the  
28 department.

29 7. Review grants or contracts awarded by the department,  
30 with respect to the department's adherence to the guidelines  
31 and procedures and the impact on the five-year strategic plan  
32 for workforce development.

33 8. Make recommendations concerning the use of federal  
34 funds received by the department with respect to the five-year  
35 and twenty-year workforce development plans.

1 9. Adopt all necessary rules recommended by the director  
2 or administrators of divisions prior to their adoption  
3 pursuant to chapter 17A.

4 Sec. 12. NEW SECTION. 84A.1C REGIONAL ADVISORY BOARDS.

5 1. A regional advisory board shall be established in each  
6 service delivery area as defined in section 84B.2. The  
7 members of the board shall be appointed by the governor. The  
8 membership of each board shall provide for equal  
9 representation of business and labor and shall include a  
10 county elected official, a city official, a superintendent of  
11 schools, and a representative of a community college.

12 2. Each regional advisory board shall identify workforce  
13 development needs in its region, assist the workforce  
14 development board and the department in the awarding of grants  
15 or contracts administered by the department in that region and  
16 in monitoring the performance of the grants and contracts  
17 awarded, make annual reports as required by section 84A.1B,  
18 and make recommendations to the workforce development board  
19 and department concerning workforce development.

20 3. Section 84A.1A, subsections 2 through 5, apply to the  
21 members of a regional advisory board except that the board  
22 shall meet if a majority of the members of the board, and not  
23 five, file a written request with the chairperson for a  
24 meeting.

25 Sec. 13. Section 84A.2, Code 1995, is amended to read as  
26 follows:

27 84A.2 ~~DEPARTMENT-AND-DIVISION~~ DEPARTMENT'S PRIMARY  
28 RESPONSIBILITIES.

29 The department of workforce development, in consultation  
30 with the workforce development board and the regional advisory  
31 boards, has the primary responsibilities set out in this  
32 section.

33 1. The department shall develop and implement a workforce  
34 development system which increases the skills of the Iowa  
35 workforce, fosters economic growth and the creation of new

1 high skill and high wage jobs through job placement and  
2 training services, increases the competitiveness of Iowa  
3 businesses by promoting high performance workplaces, and  
4 encourages investment in workers.

5 The workforce development system shall strive to provide  
6 high quality services to its customers including workers,  
7 families, and businesses. The department shall maintain a  
8 common intake, assessment, and customer tracking system and to  
9 the extent practical provide one-stop services to customers at  
10 workforce development centers and other service access points.

11 The system shall include an accountability system to  
12 measure program performance, identify accomplishments,  
13 evaluate programs to ensure goals and standards are met. The  
14 accountability system shall use information obtained from the  
15 customer tracking system, the department of economic  
16 development, the department of education, and training  
17 providers to evaluate the effectiveness of programs  
18 administered by the department. The accountability system  
19 shall evaluate all of the following:

20 a. The impact of services on wages earned by individuals.

21 b. The effectiveness of training services providers in  
22 raising the skills of the Iowa workforce.

23 c. The impact of placement and training services on Iowa's  
24 families, communities, and economy.

25 The department shall make information from the customer  
26 tracking and accountability system available to the department  
27 of economic development, the department of education, and  
28 other appropriate public agencies for the purpose of assisting  
29 with the evaluation of programs administered by those  
30 departments and agencies and for planning and researching  
31 public policies relating to education and economic  
32 development.

33 1: 2. The ~~division-of-job-service~~ department is  
34 responsible for the administration of unemployment  
35 compensation benefits and ~~for-the~~ collection of employer

1 contributions under chapter 96, ~~---The-division-is-responsible~~  
2 ~~for-the-administration-of~~ providing for the delivery of free  
3 public employment ~~offices~~ services established pursuant to  
4 chapter 96, other job placement and training programs  
5 established pursuant to section 84A.3, and the ~~administration~~  
6 ~~of-the-offices-of-the-division~~ delivery of services located  
7 throughout the state ~~and-for-the-personnel-attached-to-these~~  
8 offices. ~~The-executive-head-of-the-division-is-the-job~~  
9 ~~service-commissioner,-appointed-pursuant-to-section-96-10-~~  
10 2- 3. The division of labor services is responsible for  
11 the administration of the laws of this state relating to  
12 occupational health and safety, the inspection of amusement  
13 rides, the removal and encapsulation of asbestos, the  
14 inspection of boilers, wage payment collection, registration  
15 of construction contractors, the minimum wage, non-English  
16 speaking employees, child labor, employment agency licensing,  
17 boxing and wrestling, inspection of elevators, and hazardous  
18 chemical risks under chapters 88, 88A, 88B, 89, 89A, 89B, 90A,  
19 91, 91A, 91C, 91D, 91E, 92, 94, and 95. The executive head of  
20 the division is the labor commissioner, appointed pursuant to  
21 section 91.2.

22 3- 4. The division of industrial services is responsible  
23 for the administration of the laws of this state relating to  
24 workers' compensation under chapters 85, 85A, 85B, 86, and 87.  
25 The executive head of the division is the industrial  
26 commissioner, appointed pursuant to section 86.1.

27 4- 5. The director shall form a coordinating committee  
28 composed of the ~~job-service-commissioner~~ director, the labor  
29 commissioner, ~~and the industrial commissioner,~~ and other  
30 administrators. The committee shall monitor federal  
31 compliance issues relating to coordination of functions among  
32 the divisions.

33 6. The department shall administer the following programs:  
34 a. The Iowa conservation corps established under section  
35 84A.4.

1 b. The workforce investment program established under  
2 section 84A.5.

3 c. The statewide mentoring program established under  
4 section 84A.6.

5 d. The workforce development centers established under  
6 chapter 84B.

7 e. Job training partnership programs under chapter 7B.

8 7. The department shall work with the department of  
9 economic development to incorporate workforce development as a  
10 component of community-based economic development.

11 Sec. 14. Section 84A.3, Code 1995, is amended to read as  
12 follows:

13 84A.3 JOB PLACEMENT AND TRAINING PROGRAMS.

14 ~~1. The job-service-commissioner, in coordination with the~~  
15 ~~department of economic development, may provide, with or~~  
16 ~~without reimbursement, intake, client eligibility, and a~~  
17 ~~significant portion of job placement services to individuals~~  
18 ~~participating in the job training partnership program~~  
19 ~~established under chapter 7B.~~ The department of employment  
20 services workforce development, in consultation with the  
21 workforce development board and the regional advisory boards,  
22 the department of education, and the department of economic  
23 development shall work together to develop policies  
24 encouraging coordination between job training skill  
25 development, labor exchange, and economic development  
26 activities.

27 ~~2. The job-service-commissioner, in cooperation with the~~  
28 ~~department of elder affairs, shall establish an experimental~~  
29 ~~retired-Iowan-employment-program. The program shall encourage~~  
30 ~~and promote the meaningful employment of retired citizens of~~  
31 ~~the state.~~

32 2. The director, in cooperation with the department of  
33 human services, shall provide job placement and training to  
34 persons referred by the department of human services under the  
35 JOBS program established pursuant to chapter 249C and the food

1 stamp employment and training program.

2 3. The job-service-commissioner director, in cooperation  
3 with the department of human rights and the vocational  
4 rehabilitation division of the department of education, shall  
5 establish a program to provide job placement and training to  
6 persons with disabilities.

7 Sec. 15. NEW SECTION. 84A.4 IOWA CONSERVATION CORPS.

8 1. DEFINITIONS. As used in this section, unless the  
9 context otherwise requires:

10 a. "Account" means the Iowa conservation corps account.

11 b. "Corps" means the Iowa conservation corps.

12 2. IOWA CONSERVATION CORPS ESTABLISHED. The Iowa  
13 conservation corps is established in this state to provide  
14 meaningful and productive public service jobs for the youth,  
15 the unemployed, the disabled, the disadvantaged, and the  
16 elderly, and to provide participants with an opportunity to  
17 explore careers, gain work experience, and contribute to the  
18 general welfare of their communities and the state. The corps  
19 shall provide opportunities in the areas of natural resource  
20 and wildlife conservation, park maintenance and restoration,  
21 land management, energy savings, community improvement  
22 projects, tourism, economic development, and work benefiting  
23 human services programs. The department of workforce  
24 development shall administer the corps and shall adopt rules  
25 governing its operation, eligibility for participation, cash  
26 contributions, and implementation of an incentive program.

27 3. FUNDING. Corps projects shall be funded by  
28 appropriations to the Iowa conservation corps account and by  
29 cash, services, and material contributions made by other state  
30 agencies or local public and private agencies. Public and  
31 private entities who benefit from a corps project shall  
32 contribute at least thirty-five percent of the total project  
33 budget. The contributions may be in the form of cash,  
34 materials, or services. Materials and services shall be  
35 intended for the project and acceptable to the department.

1 Minimum levels of contributions shall be prescribed in rules  
2 adopted by the department.

3 4. ACCOUNT CREATED. The Iowa conservation corps account  
4 is established within and administered by the department. The  
5 account shall include all appropriations made to programs  
6 administered by the corps, and may also include moneys  
7 contributed by a private individual or organization, or a  
8 public entity for the purpose of implementing corps programs  
9 and projects. The department may establish an escrow account  
10 within the department and obligate moneys within that escrow  
11 account for tuition payments to be made beyond the term of any  
12 fiscal year. Interest earned on moneys in the Iowa  
13 conservation corps account shall be credited to the account.

14 Sec. 16. NEW SECTION. 84A.5 WORKFORCE INVESTMENT  
15 PROGRAM.

16 A workforce investment program is established to enable  
17 more Iowans to enter or reenter the workforce. The workforce  
18 investment program shall provide training and support services  
19 to population groups that have historically faced barriers to  
20 employment. The department of workforce development shall  
21 administer the workforce investment program and shall adopt  
22 rules governing its operation and eligibility guidelines for  
23 participation.

24 Sec. 17. NEW SECTION. 84A.6 STATEWIDE MENTORING PROGRAM.

25 A statewide mentoring program is established to recruit,  
26 screen, train, and match individuals in a mentoring  
27 relationship. The department of workforce development shall  
28 administer the program in collaboration with the departments  
29 of human services, education, and human rights. The  
30 availability of the program is subject to the funding  
31 appropriated for the purposes of the program.

32 Sec. 18. Section 84B.1, unnumbered paragraph 1, Code 1995,  
33 is amended to read as follows:

34 The departments department of employment-services-and  
35 economic workforce development, in consultation with the

1 departments of economic development, education, elder affairs,  
2 human services, and human rights, and the department for the  
3 blind, shall establish guidelines for collocating state and  
4 federal employment and training programs in centers providing  
5 services at the local level. The centers shall be known as  
6 workforce development centers. The departments shall also  
7 jointly establish an integrated management information system  
8 for linking the programs within a local center to the same  
9 programs within other local centers and to the state. The  
10 guidelines shall provide for local design and operation within  
11 the guidelines. The core services available at a center shall  
12 include but are not limited to all of the following:

13 Sec. 19. NEW SECTION. 84B.2 WORKFORCE DEVELOPMENT  
14 CENTERS -- LOCATION.

15 A workforce development center, as provided in section  
16 84B.1, shall be located in each service delivery area. Each  
17 workforce development center shall also maintain a presence,  
18 through satellite offices or electronic means, in each county  
19 located within that service delivery area. For purposes of  
20 this section, "service delivery area" means the area included  
21 within a merged area, as defined in section 260C.2, realigned  
22 to the closest county border as determined by the department  
23 of workforce development.

24 Sec. 20. Section 96.12, subsection 1, Code 1995, is  
25 amended to read as follows:

26 1. DUTIES OF DIVISION DEPARTMENT. ~~The division-of-job~~  
27 ~~service department~~ shall establish and maintain free public  
28 ~~employment offices-in-such-number-and-in-such-places-as-may-be~~  
29 ~~necessary-for-the-proper-administration-of-this-chapter~~  
30 services accessible to all Iowans for the purposes of this  
31 chapter, and for the purpose of performing such the duties as  
32 ~~are-within-the-purview-of-the-Act-of-Congress-entitled-"An-Act~~  
33 ~~to-provide-for-the-establishment-of-a-national-employment~~  
34 ~~system-and-for-co-operation-with-the-states-in-the-promotion~~  
35 ~~of-such-system,-and-for-other-purposes"~~, approved June 67

1 ~~1933~~~~-as-amended~~~~-and-known-as~~ required by federal and state  
2 laws relating to employment and training including the Wagner-  
3 Peyser Act, [48 Stat. L. 1137, 29 U.S.C. § 497. All duties  
4 and powers conferred upon any other department, agency, or  
5 officer of this state relating to the establishment,  
6 maintenance, and operation of free employment offices services  
7 shall be vested in the division department. The This state  
8 accepts and shall comply with the provisions of the said  
9 Wagner-Peyser Act of Congress, as amended~~-are-hereby-accepted~~  
10 ~~by this state~~~~-in-conformity-with-section-4-of-said-Act~~~~-and~~  
11 ~~this-state-will-observe-and-comply-with-the-requirements~~  
12 thereof. The division department is designated and  
13 constituted the agency of this state for the purpose of said  
14 the Wagner-Peyser Act. The division department may co-operate  
15 cooperate with the railroad retirement board with respect to  
16 the establishment, maintenance, and use of employment-service  
17 department facilities. The railroad retirement board shall  
18 compensate the division department for such the services or  
19 facilities in the amount determined by the division department  
20 to be fair and reasonable.

21 Sec. 21. Section 96.19, subsection 7, Code Supplement  
22 1995, is amended by striking the subsection.

23 Sec. 22. Section 96.19, Code Supplement 1995, is amended  
24 by adding the following new subsection:

25 NEW SUBSECTION. 11A. "Director" means the director of the  
26 department of workforce development created in section 84A.1.

27 Sec. 23. Section 96.19, subsection 12, Code Supplement  
28 1995, is amended by striking the subsection.

29 Sec. 24. AMENDMENTS CHANGING TERMINOLOGY -- DIRECTIVE TO  
30 CODE EDITOR.

31 1. Sections 7B.2, 7B.5, 7E.5, 8.36, 11.5B, 13.7, 15.108,  
32 15.241, 15E.111, 30.2, 30.5, 30.7, 68B.2, 85.31, 85.34, 85.37,  
33 85.59, 86.8, 86.9, 88.2, 88A.1, 88B.1, 89A.1, 89B.3, 91.1,  
34 91.4, 91C.2, 91C.7, 91C.8, 91E.1, 91E.2, 92.11, 92.12, 231.51,  
35 231.52, 231.53, 239A.1, 239A.2, 239A.3, 241.3, 249C.3,

1 249C.14, 252B.7A, 252G.2, 260F.3, 260F.7, 626.29, and 912.3,  
2 Code 1995, are amended by striking from the sections the words  
3 "department of employment services" and inserting in lieu  
4 thereof the words "department of workforce development".

5 2. Sections 96.3, 96.19, 225C.4, 256.38, 256.39, 279.51,  
6 331.602, 331.653, 331.756, and 422.7, Code Supplement 1995,  
7 are amended by striking from the sections the words "depart-  
8 ment of employment services" and inserting in lieu thereof the  
9 words "department of workforce development".

10 3. Sections 96.4, 96.9, 96.11, and 96.14, Code 1995, are  
11 amended by striking from the sections the word "commissioner"  
12 and inserting in lieu thereof the word "director".

13 4. Sections 96.3 and 96.6, Code Supplement 1995, are  
14 amended by striking from the sections the word "commissioner"  
15 and inserting in lieu thereof the word "director".

16 5. The Code editor is directed to substitute the words  
17 "department of workforce development" for the words  
18 "department of employment services" when there appears to be  
19 no doubt as to the intent to refer to the department of  
20 employment services.

21 6. The Code editor is directed to substitute the words  
22 "director of the department of workforce development" for the  
23 words "job service commissioner" elsewhere in the Code.

24 7. The Code editor is directed to substitute the word  
25 "department" for the word "division" or "division of job  
26 service" or "division of job service of the department of  
27 employment services", in chapter 96, when there appears to be  
28 no doubt as to the intent, to refer to the "division of job  
29 service".

30 8. The Code editor is directed to substitute the words  
31 "department of workforce development" for the words "division  
32 of job service", or "division of job service of the department  
33 of employment services", except for chapter 96, elsewhere in  
34 the Code.

35 Sec. 25. The director of the department of workforce

1 development shall, in cooperation with the department of  
2 personnel, make recommendations to the department of personnel  
3 concerning the development and implementation of a new  
4 position classification plan for the department. The position  
5 classification plan shall reflect the expanded  
6 responsibilities of the department, facilitate the integration  
7 of job training and job placement programs, foster a  
8 professional, innovative, and high performance working  
9 environment, and provide flexibility in designing and  
10 implementing local and regional workforce development delivery  
11 systems.

12 The new position classification plan shall be adopted by  
13 the department of personnel and implemented by the department  
14 of workforce development not later than January 1, 1997.  
15 Employees of the department of employment services and  
16 employees who were assigned to the department of economic  
17 development prior to July 1, 1996, shall have an equal  
18 opportunity to apply for the positions established in the new  
19 position classification plan.

20 The department of personnel shall assist the department of  
21 workforce development with the implementation of this section.

22 In designing the local, regional, and state service  
23 delivery system for Iowa, the director of the department of  
24 workforce development shall minimize administrative costs,  
25 encourage federal, state, and local government collaboration,  
26 maximize the use of public and private resources, and provide  
27 opportunities to respond to locally determined needs and  
28 priorities while ensuring equal access to core or common  
29 employment and training services, as defined by federal law  
30 and regulation.

31 Sec. 26. Any personnel who are mandatorily transferred due  
32 to the effect of this Act shall be so transferred without any  
33 loss in salary, benefits, or accrued years of service.

34 Sec. 27. REPEALS.

35 1. Sections 15.224 through 15.230, section 96.10, and

1 section 239.22, Code 1995, are repealed.

2 2. Sections 15.347 and 15.348, Code Supplement 1995, are  
3 repealed.

4 EXPLANATION

5 This bill creates the department of workforce development.  
6 This new department replaces the current department of  
7 employment services. In addition, the bill transfers certain  
8 responsibilities from the department of economic development  
9 to the new department of workforce development. The bill also  
10 provides that the merit system provisions of chapter 19A do  
11 not apply to professional and technical employees of the new  
12 department unless otherwise required by federal law or if the  
13 employees are in the division of labor services or the  
14 division of industrial services. The bill also provides that  
15 a new position classification plan be adopted for the new  
16 department. In addition, the bill eliminates the division of  
17 job service and job service commissioner with the director of  
18 the department of workforce development and the new department  
19 being given these duties.

20 The bill provides that the department of economic  
21 development is responsible for incorporating workforce  
22 development as a component of community-based economic  
23 development planning activities and for reviewing workforce  
24 development as it relates to the state's economic development  
25 agenda.

26 The bill provides that the new department of workforce  
27 development undertake several additional duties previously  
28 administered by other departments. The new department is  
29 responsible for developing a job training delivery system,  
30 managing job training program reporting, and administering the  
31 Iowa conservation corps, workforce development centers, the  
32 workforce investment program, and the statewide mentoring  
33 program.

34 This bill provides that a contract for the privatization of  
35 state services by the department of workforce development

1 shall require that the wages paid the independent contractors  
2 or private employees be at or above those paid to state  
3 employees performing the same or comparable work and that the  
4 independent contractors or private employees receive benefits  
5 comparable to those received by state employees.

6 The bill establishes a workforce development board,  
7 consisting of eight voting members with equal representation  
8 of business and labor members, and seven ex officio members.  
9 The board is directed to develop 20-year and five-year  
10 comprehensive workforce development plans. The board shall  
11 also approve the budget of the new department of workforce  
12 development, establish guidelines and review procedures  
13 concerning the awarding and monitoring of grants and contracts  
14 awarded by the department, and adopt administrative rules for  
15 the department.

16 The bill also establishes regional advisory boards within  
17 each community college district extended to the county  
18 borders. The regional boards shall provide for equal  
19 representation of business and labor and include certain  
20 county, city, and school officials. The regional boards are  
21 established to provide advice concerning workforce development  
22 issues to the workforce development board and the department  
23 and to monitor the performance of grants awarded in the  
24 region.

25 The bill also requires the location of a workforce  
26 development center within each merged area as defined in  
27 section 260C.2, realigned to the closest county border by the  
28 new department, and to provide a presence, through satellite  
29 offices or electronic means, in each county within the merged  
30 area.

31  
32  
33  
34  
35

H. 3/15/96 Econ. Dev  
H. 3/26/96 Amend / Do Pass  
W/H-5600  
S. 4/16/96 motion to R/c by  
S. 4/23/96 <sup>Vilsack</sup> motion R/c prevailed

SENATE FILE **2409**  
BY COMMITTEE ON SMALL BUSINESS,  
ECONOMIC DEVELOPMENT, AND  
TOURISM

(SUCCESSOR TO SSB 2328)

(AS AMENDED AND PASSED BY THE SENATE MARCH 14, 1996)

- ~~\_\_\_\_\_~~ - New Language by the Senate
- \* - Language Stricken by the Senate

Passed Senate, Date <sup>(P. 1401)</sup> 4/16/96      Passed House, Date <sup>(P. 1392)</sup> 4/3/96  
 Vote: Ayes 47 Nays 1      Vote: Ayes 65 Nays 30

Approved 5/2/96  
<sup>(P. 1482)</sup> *Repassed 4/23/96*      *Repassed 4/24/96* <sup>(P. 1886)</sup>  
*vote 47-2*      *vote 96-0*

A BILL FOR

1 An Act relating to workforce development by establishing a  
 2 workforce development department, by eliminating the  
 3 department of employment services, and including workforce  
 4 development programs in the new department, by providing for  
 5 state privatization contracts, and by establishing a workforce  
 6 development board and regional advisory boards.

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

- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18

S.F. 2409

1 Section 1. Section 15.108, subsection 6, Code 1995, is  
2 amended to read as follows:

3 6. JOB EMPLOYEE TRAINING AND ENTREPRENEURIAL-ASSISTANCE  
4 RETRAINING. To develop job employee training and retraining  
5 strategies in coordination with the department of education  
6 and department of workforce development as tools for business  
7 development, business expansion, and enhanced competitiveness  
8 of Iowa industry, which will promote economic growth and the  
9 creation of new job opportunities and to administer related  
10 ~~programs including the federal Job Training Partnership Act.~~

11 To carry out this responsibility, the department shall:

12 a. Coordinate and perform the duties specified under the  
13 ~~job-training-partnership-program-in-chapter-7B,~~ the Iowa  
14 industrial new jobs training Act in chapter 260E, and the Iowa  
15 small business new jobs training Act in chapter 260F, the  
16 workforce development fund in section 15.341, and the loan

17 b. In performing these the duties set out in paragraph  
18 "a", the department shall:

19 ~~(1)--Develop-a-job-training-delivery-system-which-will~~  
20 ~~minimize-administrative-costs-through-a-single-delivery~~  
21 ~~system,-maximize-the-use-of-public-and-private-resources-for~~  
22 ~~job-training-initiatives,-and-assume-the-coordination-of-ser-~~  
23 ~~vices-and-activities-with-other-related-programs-at-both-the~~  
24 ~~state-and-local-level.~~

25 ~~(2)--Manage-a-job-training-program-reporting-and-evaluation~~  
26 ~~system-which-will-measure-program-performance,-identify~~  
27 ~~program-accomplishments-and-service-levels,-evaluate-how-well~~  
28 ~~job-training-programs-are-being-coordinated-among-themselves~~  
29 ~~and-with-other-related-programs,-and-show-areas-where-job~~  
30 ~~training-efforts-need-to-be-improved.~~

31 ~~(3)--Maintain-a-financial-management-system,-file~~  
32 ~~appropriate-administrative-rules,-and-monitor-the-performance~~  
33 ~~of-agencies-and-organizations-involved-with-the-administration~~  
34 ~~of-job-training-programs-assigned-to-the-department.~~

35 b.--Develop-job-training-strategies-which-will-promote

1 ~~economic-growth-and-the-creation-of-new-job-opportunities.~~

2 ~~Specifically, the department shall:~~

3 (1) Work closely with representatives of business and  
4 industry, labor organizations, the council on human  
5 investment, the department of education, and the department of  
6 workforce development, and educational institutions to  
7 determine the job employee training needs of Iowa employers,  
8 and where possible, provide for the development of industry-  
9 specific training programs.

10 (2) Promote Iowa job employee training programs to  
11 potential and existing Iowa employers and to employer  
12 associations.

13 (3) Develop annual goals and objectives which will  
14 identify both short-term and long-term methods to improve  
15 program performance, create employment opportunities for  
16 residents, and enhance the delivery of services.

17 ~~Develop-job-training-and-technical-assistance-programs~~  
18 ~~which-will-promote-entrepreneurial-activities, assist-small~~  
19 ~~businesses, and help-generate-off-farm-employment~~  
20 ~~opportunities-for-persons-engaged-in-farming. Stimulate the~~  
21 creation of innovative employee training and skills  
22 development activities, including business consortium and  
23 supplier network training programs, and new employee  
24 development training models.

25 (5) Coordinate job employee training activities with other  
26 economic development finance programs to stimulate job growth.

27 ~~Develop-policies-and-plans-under-the-youth-program~~  
28 ~~provisions-of-appropriate-programs-which-will-emphasize~~  
29 ~~employing-Iowa-youth-on-projects-designed-to-improve-Iowa~~  
30 ~~parks-and-recreation-areas, restore-historical-sites, and~~  
31 ~~promote-tourism.--The-department-shall-coordinate-its-youth~~  
32 ~~program-efforts-with-representatives-of-educational~~  
33 ~~institutions-to-promote-the-understanding-by-youth-of-career~~  
34 ~~opportunities-in-business-and-industry. Review workforce~~  
35 development initiatives as they relate to the state's economic

1 development agenda, recommending action as necessary to meet  
2 the needs of Iowa's communities and businesses.

3 (7) Incorporate workforce development as a component of  
4 community-based economic development activities.

5 ~~c.--To the extent feasible, develop from available state~~  
6 ~~and federal job training program resources an entrepreneurship~~  
7 ~~training program to help encourage the promotion of small~~  
8 ~~businesses within the state.--The department of education and~~  
9 ~~the state board of regents shall cooperate with the department~~  
10 ~~on this program.--The entrepreneurship training program shall~~  
11 ~~coordinate its activities with other financial and technical~~  
12 ~~assistance efforts within the department.~~

13 ~~d.--Administer the Iowa "self-employment loan program"~~  
14 ~~under section 15.241.~~

15 ~~e.--To the extent feasible, provide assistance to the~~  
16 ~~department of human services in obtaining a waiver to provide~~  
17 ~~self-employment opportunities to recipients of assistance~~  
18 ~~under the family investment program.~~

19 ~~f.--Provide assistance to workers seeking economic~~  
20 ~~conversion of closed or economically distressed plants located~~  
21 ~~in the state including, but not limited to, the following:~~

22 ~~(1)--Evaluating the feasibility and economic viability of~~  
23 ~~proposed employee-owned businesses.~~

24 ~~(2)--Working with the small business development centers to~~  
25 ~~provide technical assistance and counseling services~~  
26 ~~including, but not limited to, legal, tax, management,~~  
27 ~~marketing, labor, and contract assistance to persons who seek~~  
28 ~~to form employee-owned businesses.~~

29 ~~(3)--Assisting persons in obtaining financing for the~~  
30 ~~purchase and operation of employee-owned businesses.~~

31 Sec. 2. Section 15.108, subsection 7, Code 1995, is  
32 amended by adding the following new paragraph:

33 NEW PARAGRAPH. k. Administer the Iowa "self-employment  
34 loan program" under section 15.241.

35 Sec. 3. Section 15.108, subsection 9, paragraph a, Code

1 1995, is amended to read as follows:

2 a. Collect and assemble, or cause to have collected and  
3 assembled, all pertinent information available regarding the  
4 industrial, agricultural, and public and private recreation  
5 and tourism opportunities and possibilities of the state of  
6 Iowa, including raw materials and products that may be  
7 produced from them; power and water resources; transportation  
8 facilities; available markets; ~~the-availability-of-labor;~~ the  
9 banking and financing facilities; the availability of  
10 industrial sites; the advantages of the state as a whole, and  
11 the particular sections of the state, as industrial locations;  
12 the development of a grain alcohol motor fuel industry and its  
13 related products; and other fields of research and study as  
14 the board deems necessary. This information, as far as  
15 possible, shall consider both the encouragement of new  
16 industrial enterprises in the state and the expansion of  
17 industries now existing within the state, and allied fields to  
18 those industries. The information shall also consider the  
19 changing composition of the Iowa family, and the level of  
20 poverty among different age groups and different family  
21 structures in Iowa society, ~~and the-changing-composition-of~~  
22 ~~the-Iowa-work-force-and-the~~ their ~~impact of-those-changes~~ on  
23 Iowa families.

24 Sec. 4. Section 15.108, subsection 9, Code 1995, is  
25 amended by adding the following new paragraph:

26 NEW PARAGRAPH. f. Provide technical assistance to  
27 individuals who are pursuing the purchase and operation of  
28 employee-owned businesses.

29 Sec. 5. Section 15.343, subsection 1, paragraph a, Code  
30 Supplement 1995, is amended to read as follows:

31 a. Notwithstanding section 8.33, all unencumbered and  
32 unobligated funds from 1994 Iowa Acts, chapter 1201, section  
33 1, subsection 6, except paragraph "d", section 3, subsections  
34 1 and 3, and section 10, remaining on July 1, 1995, and all  
35 unencumbered and unobligated funds in the Iowa conservation

1 corps escrow account established in section ~~15-229~~ 84A.4 and  
2 the job training fund established in section 260F.6.

3 Sec. 6. Section 15.343, subsection 2, paragraph a, Code  
4 Supplement 1995, is amended to read as follows:

5 a. The Iowa conservation corps created in ~~sections-15-224~~  
6 ~~through-15-230~~ section 84A.4.

7 Sec. 7. Section 15.343, subsection 2, paragraph e, Code  
8 Supplement 1995, is amended to read as follows:

9 e. For the workforce investment program under section  
10 ~~15-348~~ 84A.5.

11 Sec. 8. NEW SECTION. 72.1A PRIVATIZATION CONTRACTS --  
12 WAGES AND BENEFITS.

13 Officers of the department of workforce development  
14 empowered to expend, or direct the expenditure of, public  
15 moneys of the state shall not enter into any contract which  
16 contemplates an expenditure of moneys to transfer the  
17 performance of services provided by the state using state  
18 employees as of the end of the previous fiscal year to an  
19 independent contractor or employees other than state employees  
20 or to provide new state services using an independent  
21 contractor or employees other than state employees, unless the  
22 wages or their equivalents paid to the independent contractors  
23 or private employees performing the services are equal to or  
24 exceed the wages paid to state workers who were performing the  
25 services or to state workers performing comparable services  
26 and unless the benefits paid to the independent contractors or  
27 private employees are comparable to those paid state  
28 employees.

29 Sec. 9. Section 84A.1, Code 1995, is amended to read as  
30 follows:

31 84A.1 DEPARTMENT OF EMPLOYMENT-SERVICES WORKFORCE  
32 DEVELOPMENT -- DIRECTOR -- DIVISIONS.

33 1. The department of ~~employment-services~~ workforce  
34 development is created to administer the laws of this state  
35 relating to unemployment compensation insurance, job placement

1 and training, employment safety, labor standards, and workers'  
2 compensation.

3 2. The chief executive officer of the department is the  
4 director who shall be appointed by the governor, subject to  
5 confirmation by the senate under the confirmation procedures  
6 of section 2.32. The director shall serve at the pleasure of  
7 the governor. ~~The director shall be subject to reconfirmation~~  
8 ~~by the senate, under the confirmation procedures of section~~  
9 ~~2.32, during the regular session of the general assembly~~  
10 ~~convening in January if the director will complete the~~  
11 ~~director's fourth year in office on or before the following~~  
12 ~~April 30.~~ The governor shall set the salary of the director  
13 within the applicable salary range established by the general  
14 assembly. The director shall be selected solely on the  
15 ability to administer the duties and functions granted to the  
16 director and the department and shall devote full time to the  
17 duties of the director. If the office of director becomes  
18 vacant, the vacancy shall be filled in the same manner as the  
19 original appointment was made.

20 The director of the department ~~of employment services~~ shall  
21 ~~serve as job service commissioner and shall,~~ subject to the  
22 requirements of section 84A.1B, prepare, administer, and  
23 control the budget of the department and its divisions and  
24 shall approve the employment of all personnel of the  
25 department and its divisions.

26 The director shall direct the administrative and compliance  
27 functions and control the docket of the division of industrial  
28 services.

29 3. The department shall include ~~the division of job~~  
30 ~~service,~~ the division of labor services, and the division of  
31 industrial services, and other divisions as appropriate.

32 Sec. 10. NEW SECTION. 84A.1A WORKFORCE DEVELOPMENT  
33 BOARD.

34 1. An Iowa workforce development board is created,  
35 consisting of eight voting members appointed by the governor

1 and seven ex officio nonvoting members. The ex officio  
2 nonvoting members are four legislative members; one president  
3 or the president's designee of the university of northern  
4 Iowa, the university of Iowa, or Iowa state university of  
5 science and technology, designated by the state board of  
6 regents on a rotating basis; one representative from the  
7 largest statewide public employees' organization representing  
8 state employees; and one superintendent or the  
9 superintendent's designee of a community college, appointed by  
10 the Iowa association of community college presidents. The  
11 legislative members are two state senators, one appointed by  
12 the president of the senate, after consultation with the  
13 majority leader of the senate, and one appointed by the  
14 minority leader of the senate, after consultation with the  
15 president of the senate, from their respective parties; and  
16 two state representatives, appointed by the speaker after  
17 consultation with the majority and minority leaders of the  
18 house of representatives from their respective parties. Not  
19 more than five of the voting members shall be from the same  
20 political party and there shall be an equal number of  
21 representatives from business and labor. The labor  
22 representatives on the board shall be appointed by the  
23 governor upon the recommendations of statewide labor  
24 organizations. The governor shall appoint the eight voting  
25 members of the board for a term of four years beginning and  
26 ending as provided by section 69.19, subject to confirmation  
27 by the senate, and the governor's appointments shall include  
28 persons knowledgeable of the various elements of the  
29 department's responsibilities.

30 2. A vacancy on the board shall be filled in the same  
31 manner as regular appointments are made for the unexpired  
32 portion of the regular term.

33 3. The board shall meet in May of each year for the  
34 purpose of electing one of its voting members as chairperson  
35 and one of its voting members as vice chairperson. However,

1 the chairperson and the vice chairperson shall not be from the  
2 same political party. The board shall meet at the call of the  
3 chairperson or when any five members of the board file a  
4 written request with the chairperson for a meeting. Written  
5 notice of the time and place of each meeting shall be given to  
6 each member of the board. A majority of the voting members  
7 constitutes a quorum.

8 4. Members of the board, the director, and other employees  
9 of the department shall be allowed their actual and necessary  
10 expenses incurred in the performance of their duties. All  
11 expenses shall be paid from appropriations for those purposes  
12 and the department is subject to the budget requirements of  
13 chapter 8. Each member of the board may also be eligible to  
14 receive compensation as provided in section 7E.6.

15 5. If a member of the board has an interest, either direct  
16 or indirect, in a contract to which the department is or is to  
17 be a party, the interest shall be disclosed to the board in  
18 writing and shall be set forth in the minutes of a meeting of  
19 the board. The member having the interest shall not  
20 participate in action by the board with respect to the  
21 contract. This subsection does not limit the right of a  
22 member of the board to acquire an interest in bonds, or limit  
23 the right of a member to have an interest in a bank or other  
24 financial institution in which the funds of the department are  
25 deposited or which is acting as trustee or paying agent under  
26 a trust indenture to which the department is a party.

27 Sec. 11. NEW SECTION. 84A.1B DUTIES OF THE WORKFORCE  
28 DEVELOPMENT BOARD.

29 The workforce development board shall do all of the  
30 following:

31 1. Develop and coordinate the implementation of a twenty-  
32 year comprehensive workforce development plan of specific  
33 goals, objectives, and policies for the state. This plan  
34 shall be updated annually and revised as necessary. All other  
35 state agencies involved in workforce development activities

1 and the regional advisory boards for workforce development  
2 shall annually submit to the board for its review and  
3 potential inclusion in the plan their goals, objectives, and  
4 policies.

5 2. Prepare a five-year strategic plan for state workforce  
6 development to implement the specific comprehensive goals,  
7 objectives, and policies of the state. All other state  
8 agencies involved in workforce development activities and the  
9 regional advisory boards for workforce development shall  
10 annually submit to the board for its review and potential  
11 inclusion in the strategic plan their specific strategic plans  
12 and programs. The five-year strategic plan for state  
13 workforce development shall be updated annually.

14 3. Develop a method of evaluation of the attainment of  
15 goals and objectives from pursuing the policies of the five-  
16 year and twenty-year plans.

17 4. Implement the requirements of chapter 73.

18 5. Approve the budget of the department as prepared by the  
19 director.

20 6. Establish guidelines, procedures, and policies for the  
21 awarding of grants or contracts administered by the  
22 department.

23 7. Review grants or contracts awarded by the department,  
24 with respect to the department's adherence to the guidelines  
25 and procedures and the impact on the five-year strategic plan  
26 for workforce development.

27 8. Make recommendations concerning the use of federal  
28 funds received by the department with respect to the five-year  
29 and twenty-year workforce development plans.

30 9. Adopt all necessary rules recommended by the director  
31 or administrators of divisions prior to their adoption  
32 pursuant to chapter 17A.

33 Sec. 12. NEW SECTION. 84A.1C REGIONAL ADVISORY BOARDS.

34 1. A regional advisory board shall be established in each  
35 service delivery area as defined in section 84B.2. The

1 members of the board shall be appointed by the governor. The  
2 membership of each board shall provide for equal  
3 representation of business and labor and shall include a  
4 county elected official, a city official, a superintendent of  
5 schools, and a representative of a community college.

6 2. Each regional advisory board shall identify workforce  
7 development needs in its region, assist the workforce  
8 development board and the department in the awarding of grants  
9 or contracts administered by the department in that region and  
10 in monitoring the performance of the grants and contracts  
11 awarded, make annual reports as required by section 84A.1B,  
12 and make recommendations to the workforce development board  
13 and department concerning workforce development.

14 3. Section 84A.1A, subsections 2 through 5, apply to the  
15 members of a regional advisory board except that the board  
16 shall meet if a majority of the members of the board, and not  
17 five, file a written request with the chairperson for a  
18 meeting.

19 Sec. 13. Section 84A.2, Code 1995, is amended to read as  
20 follows:

21 84A.2 ~~DEPARTMENT-AND-DIVISION~~ DEPARTMENT'S PRIMARY  
22 RESPONSIBILITIES.

23 The department of workforce development, in consultation  
24 with the workforce development board and the regional advisory  
25 boards, has the primary responsibilities set out in this  
26 section.

27 1. The department shall develop and implement a workforce  
28 development system which increases the skills of the Iowa  
29 workforce, fosters economic growth and the creation of new  
30 high skill and high wage jobs through job placement and  
31 training services, increases the competitiveness of Iowa  
32 businesses by promoting high performance workplaces, and  
33 encourages investment in workers.

34 The workforce development system shall strive to provide  
35 high quality services to its customers including workers,

1 families, and businesses. The department shall maintain a  
2 common intake, assessment, and customer tracking system and to  
3 the extent practical provide one-stop services to customers at  
4 workforce development centers and other service access points.

5 The system shall include an accountability system to  
6 measure program performance, identify accomplishments,  
7 evaluate programs to ensure goals and standards are met. The  
8 accountability system shall use information obtained from the  
9 customer tracking system, the department of economic  
10 development, the department of education, and training  
11 providers to evaluate the effectiveness of programs  
12 administered by the department. The accountability system  
13 shall evaluate all of the following:

14 a. The impact of services on wages earned by individuals.

15 b. The effectiveness of training services providers in  
16 raising the skills of the Iowa workforce.

17 c. The impact of placement and training services on Iowa's  
18 families, communities, and economy.

19 The department shall make information from the customer  
20 tracking and accountability system available to the department  
21 of economic development, the department of education, and  
22 other appropriate public agencies for the purpose of assisting  
23 with the evaluation of programs administered by those  
24 departments and agencies and for planning and researching  
25 public policies relating to education and economic  
26 development.

27 ~~±~~ 2. The division-of-job-service department is  
28 responsible for the administration of unemployment  
29 compensation benefits and for the collection of employer  
30 contributions under chapter 96, ~~---The-division-is-responsible~~  
31 ~~for-the-administration-of~~ providing for the delivery of free  
32 public employment offices services established pursuant to  
33 chapter 96, other job placement and training programs  
34 established pursuant to section 84A.3, and the administration  
35 ~~of-the-offices-of-the-division~~ delivery of services located

1 throughout the state ~~and-for-the-personnel-attached-to-those~~  
2 ~~offices. The-executive-head-of-the-division-is-the-job~~  
3 ~~service-commissioner,-appointed-pursuant-to-section-96-10-~~

4 2- 3. The division of labor services is responsible for  
5 the administration of the laws of this state relating to  
6 occupational health and safety, the inspection of amusement  
7 rides, the removal and encapsulation of asbestos, the  
8 inspection of boilers, wage payment collection, registration  
9 of construction contractors, the minimum wage, non-English  
10 speaking employees, child labor, employment agency licensing,  
11 boxing and wrestling, inspection of elevators, and hazardous  
12 chemical risks under chapters 88, 88A, 88B, 89, 89A, 89B, 90A,  
13 91, 91A, 91C, 91D, 91E, 92, 94, and 95. The executive head of  
14 the division is the labor commissioner, appointed pursuant to  
15 section 91.2.

16 3- 4. The division of industrial services is responsible  
17 for the administration of the laws of this state relating to  
18 workers' compensation under chapters 85, 85A, 85B, 86, and 87.  
19 The executive head of the division is the industrial  
20 commissioner, appointed pursuant to section 86.1.

21 4- 5. The director shall form a coordinating committee  
22 composed of the ~~job-service-commissioner~~ director, the labor  
23 commissioner, ~~and the industrial commissioner,~~ and other  
24 administrators. The committee shall monitor federal  
25 compliance issues relating to coordination of functions among  
26 the divisions.

27 6. The department shall administer the following programs:

28 a. The Iowa conservation corps established under section  
29 84A.4.

30 b. The workforce investment program established under  
31 section 84A.5.

32 c. The statewide mentoring program established under  
33 section 84A.6.

34 d. The workforce development centers established under  
35 chapter 84B.

1 e. Job training partnership programs under chapter 7B.

2 7. The department shall work with the department of  
3 economic development to incorporate workforce development as a  
4 component of community-based economic development.

5 Sec. 14. Section 84A.3, Code 1995, is amended to read as  
6 follows:

7 84A.3 JOB PLACEMENT AND TRAINING PROGRAMS.

8 ~~1. The job-service-commissioner, in coordination with the~~  
9 ~~department of economic development, may provide, with or~~  
10 ~~without reimbursement, intake, client eligibility, and a~~  
11 ~~significant portion of job placement services to individuals~~  
12 ~~participating in the job training partnership program~~  
13 ~~established under chapter 7B.~~ The department of employment  
14 services workforce development, in consultation with the  
15 workforce development board and the regional advisory boards,  
16 the department of education, and the department of economic  
17 development shall work together to develop policies  
18 encouraging coordination between job training skill  
19 development, labor exchange, and economic development  
20 activities.

21 ~~2. The job-service-commissioner, in cooperation with the~~  
22 ~~department of elder affairs, shall establish an experimental~~  
23 ~~retired-Iowan employment program. The program shall encourage~~  
24 ~~and promote the meaningful employment of retired citizens of~~  
25 ~~the state.~~

26 2. The director, in cooperation with the department of  
27 human services, shall provide job placement and training to  
28 persons referred by the department of human services under the  
29 JOBS program established pursuant to chapter 249C and the food  
30 stamp employment and training program.

31 3. The job-service-commissioner director, in cooperation  
32 with the department of human rights and the vocational  
33 rehabilitation division of the department of education, shall  
34 establish a program to provide job placement and training to  
35 persons with disabilities.

1     Sec. 15. NEW SECTION. 84A.4 IOWA CONSERVATION CORPS.

2     1. DEFINITIONS. As used in this section, unless the  
3 context otherwise requires:

4     a. "Account" means the Iowa conservation corps account.

5     b. "Corps" means the Iowa conservation corps.

6     2. IOWA CONSERVATION CORPS ESTABLISHED. The Iowa  
7 conservation corps is established in this state to provide  
8 meaningful and productive public service jobs for the youth,  
9 the unemployed, the disabled, the disadvantaged, and the  
10 elderly, and to provide participants with an opportunity to  
11 explore careers, gain work experience, and contribute to the  
12 general welfare of their communities and the state. The corps  
13 shall provide opportunities in the areas of natural resource  
14 and wildlife conservation, park maintenance and restoration,  
15 land management, energy savings, community improvement  
16 projects, tourism, economic development, and work benefiting  
17 human services programs. The department of workforce  
18 development shall administer the corps and shall adopt rules  
19 governing its operation, eligibility for participation, cash  
20 contributions, and implementation of an incentive program.

21     3. FUNDING. Corps projects shall be funded by  
22 appropriations to the Iowa conservation corps account and by  
23 cash, services, and material contributions made by other state  
24 agencies or local public and private agencies. Public and  
25 private entities who benefit from a corps project shall  
26 contribute at least thirty-five percent of the total project  
27 budget. The contributions may be in the form of cash,  
28 materials, or services. Materials and services shall be  
29 intended for the project and acceptable to the department.  
30 Minimum levels of contributions shall be prescribed in rules  
31 adopted by the department.

32     4. ACCOUNT CREATED. The Iowa conservation corps account  
33 is established within and administered by the department. The  
34 account shall include all appropriations made to programs  
35 administered by the corps, and may also include moneys

1 contributed by a private individual or organization, or a  
2 public entity for the purpose of implementing corps programs  
3 and projects. The department may establish an escrow account  
4 within the department and obligate moneys within that escrow  
5 account for tuition payments to be made beyond the term of any  
6 fiscal year. Interest earned on moneys in the Iowa  
7 conservation corps account shall be credited to the account.

8 Sec. 16. NEW SECTION. 84A.5 WORKFORCE INVESTMENT  
9 PROGRAM.

10 A workforce investment program is established to enable  
11 more Iowans to enter or reenter the workforce. The workforce  
12 investment program shall provide training and support services  
13 to population groups that have historically faced barriers to  
14 employment. The department of workforce development shall  
15 administer the workforce investment program and shall adopt  
16 rules governing its operation and eligibility guidelines for  
17 participation.

18 Sec. 17. NEW SECTION. 84A.6 STATEWIDE MENTORING PROGRAM.

19 A statewide mentoring program is established to recruit,  
20 screen, train, and match individuals in a mentoring  
21 relationship. The department of workforce development shall  
22 administer the program in collaboration with the departments  
23 of human services, education, and human rights. The  
24 availability of the program is subject to the funding  
25 appropriated for the purposes of the program.

26 Sec. 18. Section 84B.1, unnumbered paragraph 1, Code 1995,  
27 is amended to read as follows:

28 The ~~departments~~ department of ~~employment-services-and~~  
29 ~~economic workforce~~ development, in consultation with the  
30 departments of economic development, education, elder affairs,  
31 human services, and human rights, and the department for the  
32 blind, shall establish guidelines for collocating state and  
33 federal employment and training programs in centers providing  
34 services at the local level. The centers shall be known as  
35 workforce development centers. The departments shall also

1 jointly establish an integrated management information system  
 2 for linking the programs within a local center to the same  
 3 programs within other local centers and to the state. The  
 4 guidelines shall provide for local design and operation within  
 5 the guidelines. The core services available at a center shall  
 6 include but are not limited to all of the following:

7     Sec. 19. NEW SECTION. 84B.2 WORKFORCE DEVELOPMENT  
 8 CENTERS -- LOCATION.

9     A workforce development center, as provided in section  
 10 84B.1, shall be located in each service delivery area. Each  
 11 workforce development center shall also maintain a presence,  
 12 through satellite offices or electronic means, in each county  
 13 located within that service delivery area. For purposes of  
 14 this section, "service delivery area" means the area included  
 15 within a merged area, as defined in section 260C.2, realigned  
 16 to the closest county border as determined by the department  
 17 of workforce development.

18     Sec. 20. Section 96.12, subsection 1, Code 1995, is  
 19 amended to read as follows:

20     1. DUTIES OF DIVISION DEPARTMENT. The ~~division-of-job~~  
 21 ~~service department~~ shall establish and maintain free public  
 22 employment ~~offices-in-such-number-and-in-such-places-as-may-be~~  
 23 ~~necessary-for-the-proper-administration-of-this-chapter~~  
 24 services accessible to all Iowans for the purposes of this  
 25 chapter, and for the purpose of performing such the duties as  
 26 ~~are-within-the-purview-of-the-Act-of-Congress-entitled-"An-Act~~  
 27 ~~to-provide-for-the-establishment-of-a-national-employment~~  
 28 ~~system-and-for-co-operation-with-the-states-in-the-promotion~~  
 29 ~~of-such-system,-and-for-other-purposes",-approved-June-6,~~  
 30 ~~1933,-as-amended,-and-known-as~~ required by federal and state  
 31 laws relating to employment and training including the Wagner-  
 32 Peyser Act, {48 Stat. L. 1137, 29 U.S.C. § 49}. All duties  
 33 and powers conferred upon any other department, agency, or  
 34 officer of this state relating to the establishment,  
 35 maintenance, and operation of free employment offices services

1 shall be vested in the division department. ~~The~~ This state  
2 accepts and shall comply with the provisions of the said  
3 Wagner-Peyser Act of Congress, as amended, ~~are hereby accepted~~  
4 ~~by this state, in conformity with section 4 of said Act, and~~  
5 ~~this state will observe and comply with the requirements~~  
6 thereof. The division department is designated and  
7 constituted the agency of this state for the purpose of said  
8 the Wagner-Peyser Act. The division department may co-operate  
9 cooperate with the railroad retirement board with respect to  
10 the establishment, maintenance, and use of employment-service  
11 department facilities. The railroad retirement board shall  
12 compensate the division department for such the services or  
13 facilities in the amount determined by the division department  
14 to be fair and reasonable.

15 Sec. 21. Section 96.19, subsection 7, Code Supplement  
16 1995, is amended by striking the subsection.

17 Sec. 22. Section 96.19, Code Supplement 1995, is amended  
18 by adding the following new subsection:

19 NEW SUBSECTION. 11A. "Director" means the director of the  
20 department of workforce development created in section 84A.1.

21 Sec. 23. Section 96.19, subsection 12, Code Supplement  
22 1995, is amended by striking the subsection.

23 Sec. 24. AMENDMENTS CHANGING TERMINOLOGY -- DIRECTIVE TO  
24 CODE EDITOR.

25 1. Sections 7B.2, 7B.5, 7E.5, 8.36, 11.5B, 13.7, 15.108,  
26 15.241, 15E.111, 30.2, 30.5, 30.7, 68B.2, 85.31, 85.34, 85.37,  
27 85.59, 86.8, 86.9, 88.2, 88A.1, 88B.1, 89A.1, 89B.3, 91.1,  
28 91.4, 91C.2, 91C.7, 91C.8, 91E.1, 91E.2, 92.11, 92.12, 231.51,  
29 231.52, 231.53, 239A.1, 239A.2, 239A.3, 241.3, 249C.3,  
30 249C.14, 252B.7A, 252G.2, 260F.3, 260F.7, 626.29, and 912.3,  
31 Code 1995, are amended by striking from the sections the words  
32 "department of employment services" and inserting in lieu  
33 thereof the words "department of workforce development".

34 2. Sections 96.3, 96.19, 225C.4, 256.38, 256.39, 279.51,  
35 331.602, 331.653, 331.756, and 422.7, Code Supplement 1995,

1 are amended by striking from the sections the words "depart-  
2 ment of employment services" and inserting in lieu thereof the  
3 words "department of workforce development".

4 3. Sections 96.4, 96.9, 96.11, and 96.14, Code 1995, are  
5 amended by striking from the sections the word "commissioner"  
6 and inserting in lieu thereof the word "director".

7 4. Sections 96.3 and 96.6, Code Supplement 1995, are  
8 amended by striking from the sections the word "commissioner"  
9 and inserting in lieu thereof the word "director".

10 5. The Code editor is directed to substitute the words  
11 "department of workforce development" for the words  
12 "department of employment services" when there appears to be  
13 no doubt as to the intent to refer to the department of  
14 employment services.

15 6. The Code editor is directed to substitute the words  
16 "director of the department of workforce development" for the  
17 words "job service commissioner" elsewhere in the Code.

18 7. The Code editor is directed to substitute the word  
19 "department" for the word "division" or "division of job  
20 service" or "division of job service of the department of  
21 employment services", in chapter 96, when there appears to be  
22 no doubt as to the intent, to refer to the "division of job  
23 service".

24 8. The Code editor is directed to substitute the words  
25 "department of workforce development" for the words "division  
26 of job service", or "division of job service of the department  
27 of employment services", except for chapter 96, elsewhere in  
28 the Code.

29 Sec. 25. In designing the local, regional, and state  
30 service delivery system for Iowa, the director of the  
31 department of workforce development shall minimize  
32 administrative costs, encourage federal, state, and local  
33 government collaboration, maximize the use of public and  
34 private resources, and provide opportunities to respond to  
35 locally determined needs and priorities while ensuring equal

1 access to core or common employment and training services, as  
2 defined by federal law and regulation.

3 Sec. 26. Any personnel who are mandatorily transferred due  
4 to the effect of this Act shall be so transferred without any  
5 loss in salary, benefits, or accrued years of service.

6 Sec. 27. REPEALS.

7 1. Sections 15.224 through 15.230, section 96.10, and  
8 section 239.22, Code 1995, are repealed.

9 2. Sections 15.347 and 15.348, Code Supplement 1995, are  
10 repealed.

11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35

**SENATE FILE 2409  
FISCAL NOTE**

---

A fiscal note for Senate File 2409, as amended and passed by the Senate, is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

---

Senate File 2409, as amended and passed by the Senate, creates a new Department of Workforce Development. The new Department replaces the current Department of Employment Services. The Bill transfers duties for certain programs currently administered by the Department of Economic Development and the Department of Human Rights. These programs include responsibility for developing a job training delivery system, managing job training program reporting, and administering the Iowa Conservation Corp, Workforce Development Centers, Workforce Investment, and Statewide Mentoring Programs.

The Bill establishes a Workforce Development Board consisting of eight voting and seven non-voting members. The Board shall approve five-year and twenty-year workforce development plans, as well as establish guidelines, review procedures, review budgets, and approve administrative rules of the new Department.

The Bill establishes regional advisory boards in each community college district to provide advice to the Workforce Development Board and Department.

The Bill also requires the location of a Workforce Development Center within each merged area, and to provide a presence within each county.

**ASSUMPTIONS**

1. The General Assembly will continue to fund the workforce development programs at current levels.
2. There will not be administrative efficiencies or additional costs associated with the consolidation of programs.
3. The annual cost of the new Workforce Development Board will be similar to that of the Economic Development Board (\$30,000 per year).
4. Fifteen regional advisory boards will meet twelve times per year, at an average meeting cost of \$825.

**FISCAL IMPACT**

The fiscal impact of Senate File 2409, as amended and passed by the Senate, is \$30,000 annually to support the new Workforce Development Board and \$148,500 annually for costs associated with the regional advisory boards.

Creating a Workforce Development Center in each merged area and requiring a presence within each county will have no fiscal impact, as the Department of Employment Services is currently working towards that goal.

SOURCES

Department of Employment Services  
Department of Economic Development  
Department of Human Rights

(LSB 4399sv, JWR)

FILED MARCH 19, 1996

BY DENNIS PROUTY, FISCAL DIRECTOR

## SENATE FILE 2409

H-5600

1 Amend Senate File 2409, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 1, line 16, by inserting after the word  
4 "loan" the following: "loss reserve account in  
5 section 15.345."

6 2. Page 1, line 17, by striking the letter "b."  
7 and inserting the following: "b."

8 3. Page 5, by striking lines 11 through 28.

9 4. Page 6, by striking lines 23 through 25 and  
10 inserting the following: "control the budget of the  
11 department and its divisions and shall approve the  
12 employment of all personnel of the department and its  
13 divisions. The director shall employ personnel as  
14 necessary to carry out the duties and responsibilities  
15 of the department, consistent with the merit system  
16 provisions of chapter 19A for employees other than  
17 professional and technical employees. Professional  
18 and technical employees of the department are exempt  
19 from the merit system provisions of chapter 19A,  
20 except as otherwise required by federal law and  
21 regulation, and except for employees in the divisions  
22 of labor services and industrial services."

23 5. Page 6, line 35, by striking the word "eight"  
24 and inserting the following: "nine".

25 6. Page 7, line 18, by striking the word "Not".

26 7. Page 7, by striking lines 19 through 24 and  
27 inserting the following: "The governor, consistent  
28 with the requirements of federal law, shall appoint  
29 the nine voting".

30 8. Page 7, by striking lines 28 and 29 and  
31 inserting the following: "persons knowledgeable in  
32 the area of workforce development."

33 9. Page 10, line 1, by inserting after the word  
34 "governor" the following: ", consistent with the  
35 requirements of federal law and in consultation with  
36 chief elected officials within the region. Chief  
37 elected officials responsible for recommendations for  
38 board membership shall include, but are not limited  
39 to, county elected officials, municipal elected  
40 officials, and community college trustees".

41 10. Page 10, lines 4 and 5, by striking the words  
42 "a superintendent of schools" and inserting the  
43 following: "a representative of a school district".

44 11. Page 10, line 14, by striking the word  
45 "through" and inserting the following: ", 3, and".

46 12. Page 13, by inserting after line 4 the  
47 following:

48 "8. The department, in consultation with the  
49 applicable regional advisory board, shall select  
50 service providers, subject to approval by the

H-5600

H-5600

Page 2

1 workforce development board for each service delivery  
2 area. A service provider in each service delivery  
3 area shall be identified to coordinate the services  
4 throughout the service delivery area. The department  
5 shall select service providers that, to the extent  
6 possible, meet or have the ability to meet the  
7 following criteria:  
8 a. The capacity to deliver services uniformly  
9 throughout the service delivery area.  
10 b. The experience to provide workforce development  
11 services.  
12 c. The capacity to cooperate with other public and  
13 private agencies and entities in the delivery of  
14 education, workforce training, retraining, and  
15 workforce development services throughout the service  
16 delivery area.  
17 d. The demonstrated capacity to understand and  
18 comply with all applicable state and federal laws,  
19 rules, ordinances, regulations, and orders, including  
20 fiscal requirements."

21 13. Page 16, line 15, by inserting after the  
22 figure "260C.2," the following: "or within a  
23 combination of merged areas,".

24 14. Page 18, by striking line 29 and inserting  
25 the following:

26 "Sec. \_\_\_\_ . The director of the department of  
27 workforce development shall, in cooperation with the  
28 department of personnel, make recommendations to the  
29 department of personnel concerning the development and  
30 implementation of a new position classification plan  
31 for the department. The position classification plan  
32 shall reflect the expanded responsibilities of the  
33 department, facilitate the integration of job training  
34 and job placement programs, foster a professional,  
35 innovative, and high performance working environment,  
36 and provide flexibility in designing and implementing  
37 local and regional workforce development delivery  
38 systems. However, the new position classification  
39 plan to be implemented by the department shall be  
40 consistent with the rules adopted as of the effective  
41 date of this Act pursuant to section 19A.9, subsection  
42 1, for position classification plans.

43 The new position classification plan shall be  
44 adopted by the department of personnel and implemented  
45 by the department of workforce development not later  
46 than January 1, 1997. Employees of the department of  
47 employment services and employees who were assigned to  
48 the department of economic development prior to July  
49 1, 1996, shall have an equal opportunity to apply for  
50 the positions established in the new position

H-5600

-2-

H-5600

Page 3

- 1 classification plan.
- 2 The department of personnel shall assist the
- 3 department of workforce development with the
- 4 implementation of this section.
- 5 In designing the local, regional, and state".
- 6 15. By renumbering as necessary.

By COMMITTEE ON ECONOMIC DEVELOPMENT  
LARSON of Linn, Chairperson

H-5600 FILED MARCH 26, 1996

*Adopted 4/3/96 (P. 1391)*

## SENATE FILE 2409

H-5612

- 1 Amend Senate File 2409, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 9, line 18, by inserting after the word
- 4 "department" the following: "related to workforce
- 5 development".
- 6 2. Page 9, line 21, by striking the words "or
- 7 contracts administered".
- 8 3. Page 9, line 30, by inserting after the word
- 9 "rules" the following: "related to workforce
- 10 development".
- 11 4. Page 9, line 31, by striking the words "or
- 12 administrators of divisions".

By NELSON of Marshall

H-5612 FILED MARCH 26, 1996

*Withdrawn*  
*4/3/96 (P. 1391)*

SENATE FILE 2409

H-5725

1 Amend Senate File 2409, as amended, passed, and  
 2 reprinted by the Senate, as follows:  
 3 1. Page 9, line 18, by inserting after the word  
 4 "department" the following: "related to workforce  
 5 development".  
 6 2. Page 9, line 21, by striking the words "or  
 7 contracts administered" and inserting the following:  
 8 "for workforce development services".  
 9 3. Page 9, line 30, by inserting after the word  
 10 "rules" the following: "related to workforce  
 11 development".  
 12 4. Page 9, line 31, by striking the words "or  
 13 administrators of divisions".

By NELSON of Marshall

H-5725 FILED MARCH 28, 1996

*Adopted 4-3-96 (P. 1392)*

SENATE FILE 2409

H-5733

1 Amend the amendment, H-5600, to Senate File 2409,  
 2 as amended, passed, and reprinted by the Senate, as  
 3 follows:  
 4 1. Page 3, by inserting after line 5 the  
 5 following:  
 6 "\_\_\_\_\_. Title page, lines 4 and 5, by striking the  
 7 words "by providing for state privatization  
 8 contracts,"."  
 9 2. By renumbering as necessary.

By NELSON of Marshall

H-5733 FILED MARCH 28, 1996

*Adopted 4-3-96 (P. 1390)*

SENATE FILE 2409

H-5734

1 Amend the amendment, H-5600, to Senate File 2409,  
 2 as amended, passed, and reprinted by the Senate, as  
 3 follows:  
 4 1. Page 1, line 32, by inserting after the word  
 5 "development" the following: ", and shall include at  
 6 least one county elected official, one city official,  
 7 and one representative of a school district".  
 8 2. Page 2, by striking lines 21 through 23 and  
 9 inserting the following:  
 10 "\_\_\_\_\_. Page 16, by striking lines 15 through 17  
 11 and inserting the following: "in a multi-county area  
 12 selected by the workforce development board, in  
 13 consultation with local elected officials, and  
 14 approved by the governor.""  
 15 3. By renumbering as necessary.

*A*

*B*

By DRAKE of Pottawattamie  
 DINKLA of Guthrie  
 GRIES of Crawford  
 MEYER of Sac

DREES of Carroll  
 WISE of Lee  
 BRADLEY of Clinton

H-5734 FILED MARCH 28, 1996

*A-Loor 4/3/96*  
*B-Loor 4/3/96 (P. 1388)*

## SENATE FILE 2409

H-5788

- 1 Amend the amendment, H-5600, to Senate File 2409,  
 2 as amended, passed, and reprinted by the Senate, as  
 3 follows:  
 4 1. Page 1, by striking lines 16 through 22 and  
 5 inserting the following: "provisions of chapter 19A."  
 By CONNORS of Polk

H-5788 FILED APRIL 1, 1996

*Lost 4/3/96 (P. 1385) Motion to R/C 4/3/96*  
*Motion to R/C Lost 4/3/96 (P. 1391)*

## SENATE FILE 2409

H-5790

- 1 Amend the amendment, H-5600, to Senate File 2409,  
 2 as amended, passed, and reprinted by the Senate, as  
 3 follows:  
 4 1. Page 1, line 27, by inserting before the words  
 5 "The governor" the following: "Of the nine voting  
 6 members, four members shall represent business, four  
 7 members shall represent labor, and one member shall  
 8 represent a post-secondary educational institution  
 9 which conducts workforce development programs.  
 10 Persons representing labor shall be appointed from  
 11 nominations submitted by statewide labor organizations  
 12 in this state."

By TAYLOR of Linn

H-5790 FILED APRIL 1, 1996

*Lost 4/3/96 (P. 1387)*

## SENATE FILE 2409

H-5789

- 1 Amend the amendment, H-5600, to Senate File 2409,  
 2 as amended, passed, and reprinted by the Senate, as  
 3 follows:  
 4 1. Page 3, line 4, by inserting after the word  
 5 "section." the following: "Implementation of the  
 6 position classification plan and resolution of related  
 7 issues, including wage rate and seniority provisions,  
 8 shall be agreed upon by the department of personnel  
 9 and the certified employee organization  
 10 representatives of bargaining unit employees."

H-5789 FILED APRIL 1, 1996

By BRAND of Benton

*Lost 4/3/96 (P. 1389)*

## SENATE FILE 2409

H-5787

- 1 Amend the amendment, H-5600, to Senate File 2409,  
 2 as amended, passed, and reprinted by the Senate, as  
 3 follows:  
 4 1. Page 1, by striking line 8.  
 5 2. By renumbering as necessary.

By McCOY of Polk

H-5787 FILED APRIL 1, 1996

*Lost 4/3/96 (P. 1384)*

SENATE FILE 2409

H-5854

- 1 Amend the amendment, H-5600, to Senate File 2409,
- 2 as amended, passed, and reprinted by the Senate, as
- 3 follows:
- 4 1. Page 2, by striking lines 21 through 23 and
- 5 inserting the following:
- 6 " . Page 16, by striking lines 15 through 17
- 7 and inserting the following: "in a multi-county area
- 8 selected by the workforce development board,
- 9 considering community college boundaries and input
- 10 from local elected officials, and approved by the
- 11 governor.""
- 12 2. By renumbering as necessary.

By DRAKE of Pottawattamie

H-5854 FILED APRIL 3, 1996

*Lost 4/3/96*

*(P. 1390)*

## SENATE FILE 2409

S-5783

1 Amend the House amendment, S-5677, to Senate File  
2 2409, as amended, passed, and reprinted by the Senate,  
3 as follows:

4 1. Page 1, by striking lines 3 through 5 and  
5 inserting the following:

6 "\_\_\_\_. Page 1, line 15, by inserting after the  
7 word and figure "chapter 260F," the following: "and".

8 \_\_\_\_\_. Page 1, line 16, by striking the words and  
9 figure "15.341, and the loan" and inserting the  
10 following: "15.341."

11 2. Page 1, by striking lines 9 through 22.

12 3. Page 1, by striking lines 25 through 29 and  
13 inserting the following:

14 "\_\_\_\_. Page 7, by striking lines 20 through 24 and  
15 inserting the following: "political party. Of the  
16 nine voting members, one member shall represent a non-  
17 profit organization involved in workforce development  
18 services, four members shall represent employers, and  
19 four members shall represent nonsupervisory employees.  
20 Of the members appointed by the governor to represent  
21 nonsupervisory employees, two members shall be  
22 appointed upon the recommendations of statewide labor  
23 organizations, one member shall be an employee  
24 representative of a labor management council, and one  
25 member shall be a person with experience in worker  
26 training programs. The governor shall appoint the  
27 nine voting"."

28 4. Page 2, by inserting after line 6 the  
29 following:

30 "\_\_\_\_. Page 11, by striking line 12 and inserting  
31 the following: ". The department of economic  
32 development, the department of education, and training  
33 providers shall report information concerning the use  
34 of any state or federal training or retraining funds  
35 to the department of workforce development in a form  
36 as required by the department. The accountability  
37 system"."

38 5. By striking page 2, line 32, through page 3,  
39 line 16, and inserting the following:

40 "\_\_\_\_. Page 16, line 17, by inserting after the  
41 word "development." the following: "However, if the  
42 state workforce development board determines that an  
43 area of the state would be adversely affected by the  
44 designation of the service delivery areas by the  
45 department, the department may, after consultation  
46 with the applicable regional advisory boards and with  
47 the approval of the state workforce development board,  
48 make accommodations in determining the service  
49 delivery areas, including, but not limited to, the  
50 creation of a new service delivery area. In no event

S-5783

S-5783

Page 2

1 shall the department create more than sixteen service  
2 delivery areas."

*adopted 4/16/96 (P. 1400)*

By TOM VILSACK

ALLEN BORLAUG

S-5783 FILED APRIL 15, 1996

*motion to R/c by Vilsack 4/23/96 (P. 1481)*  
*motion prevailed 4/23/96 (P. 1481)*  
*Adopted as amended 4/23/96 (P. 1481)*

## SENATE FILE 2409

S-5791

1 Amend the House amendment, S-5677, to Senate File  
2 2409, as amended, passed, and reprinted by the Senate,  
3 as follows:

4 1. Page 3, by inserting before line 17 the  
5 following:

6 " . Page 19, line 5, by inserting after the  
7 word "service." the following:

8 "The department of workforce development shall  
9 consult with all noncontract covered employees, or in  
10 the case of contract covered employees, the exclusive  
11 bargaining representative for those employees,  
12 concerning job classification plans or other job-  
13 related matters pertaining to the department.""

By TOM VILSACK

S-5791 FILED APRIL 16, 1996

ADOPTED

*(P. 1400)*

## SENATE FILE 2409

S-5837

1 Amend the amendment, S-5783, to the House  
2 amendment, S-5677, to Senate File 2409, as amended,  
3 passed, and reprinted by the Senate, as follows:  
4 1. Page 1, line 22, by striking the words  
5 "appointed upon the recommendations of" and inserting  
6 the following: "from".  
7 2. Page 1, line 26, by inserting after the word  
8 "programs." the following: "The governor shall  
9 consider recommendations from statewide labor  
10 organizations for the members representing  
11 nonsupervisory employees."

By TOM VILSACK

S-5837 FILED APRIL 23, 1996

ADOPTED

*(P. 1481)*

HOUSE AMENDMENT TO  
SENATE FILE 2409

S-5677

1 Amend Senate File 2409, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 1, line 16, by inserting after the word  
4 "loan" the following: "loss reserve account in  
5 section 15.345."

6 2. Page 1, line 17, by striking the letter "b."  
7 and inserting the following: "b."

8 3. Page 5, by striking lines 11 through 28.

9 4. Page 6, by striking lines 23 through 25 and  
10 inserting the following: "control the budget of the  
11 department and its divisions and shall approve the  
12 employment of all personnel of the department and its  
13 divisions. The director shall employ personnel as  
14 necessary to carry out the duties and responsibilities  
15 of the department, consistent with the merit system  
16 provisions of chapter 19A for employees other than  
17 professional and technical employees. Professional  
18 and technical employees of the department are exempt  
19 from the merit system provisions of chapter 19A,  
20 except as otherwise required by federal law and  
21 regulation, and except for employees in the divisions  
22 of labor services and industrial services."

23 5. Page 6, line 35, by striking the word "eight"  
24 and inserting the following: "nine".

25 6. Page 7, line 18, by striking the word "Not".

26 7. Page 7, by striking lines 19 through 24 and  
27 inserting the following: "The governor, consistent  
28 with the requirements of federal law, shall appoint  
29 the nine voting".

30 8. Page 7, by striking lines 28 and 29 and  
31 inserting the following: "persons knowledgeable in  
32 the area of workforce development."

33 9. Page 9, line 18, by inserting after the word  
34 "department" the following: "related to workforce  
35 development".

36 10. Page 9, line 21, by striking the words "or  
37 contracts administered" and inserting the following:  
38 "for workforce development services".

39 11. Page 9, line 30, by inserting after the word  
40 "rules" the following: "related to workforce  
41 development".

42 12. Page 9, line 31, by striking the words "or  
43 administrators of divisions".

44 13. Page 10, line 1, by inserting after the word  
45 "governor" the following: ", consistent with the  
46 requirements of federal law and in consultation with  
47 chief elected officials within the region. Chief  
48 elected officials responsible for recommendations for  
49 board membership shall include, but are not limited  
50 to, county elected officials, municipal elected

S-5677

S-5677

Page 2

1 officials, and community college trustees".  
2 14. Page 10, lines 4 and 5, by striking the words  
3 "a superintendent of schools" and inserting the  
4 following: "a representative of a school district".

5 15. Page 10, line 14, by striking the word  
6 "through" and inserting the following: ", 3, and".

7 16. Page 13, by inserting after line 4 the  
8 following:

9 "8. The department, in consultation with the  
10 applicable regional advisory board, shall select  
11 service providers, subject to approval by the  
12 workforce development board for each service delivery  
13 area. A service provider in each service delivery  
14 area shall be identified to coordinate the services  
15 throughout the service delivery area. The department  
16 shall select service providers that, to the extent  
17 possible, meet or have the ability to meet the  
18 following criteria:

19 a. The capacity to deliver services uniformly  
20 throughout the service delivery area.

21 b. The experience to provide workforce development  
22 services.

23 c. The capacity to cooperate with other public and  
24 private agencies and entities in the delivery of  
25 education, workforce training, retraining, and  
26 workforce development services throughout the service  
27 delivery area.

28 d. The demonstrated capacity to understand and  
29 comply with all applicable state and federal laws,  
30 rules, ordinances, regulations, and orders, including  
31 fiscal requirements."

32 17. Page 16, line 15, by inserting after the  
33 figure "260C.2," the following: "or within a  
34 combination of merged areas,".

35 18. Page 18, by striking line 29 and inserting  
36 the following:

37 "Sec. \_\_\_\_ . The director of the department of  
38 workforce development shall, in cooperation with the  
39 department of personnel, make recommendations to the  
40 department of personnel concerning the development and  
41 implementation of a new position classification plan  
42 for the department. The position classification plan  
43 shall reflect the expanded responsibilities of the  
44 department, facilitate the integration of job training  
45 and job placement programs, foster a professional,  
46 innovative, and high performance working environment,  
47 and provide flexibility in designing and implementing  
48 local and regional workforce development delivery  
49 systems. However, the new position classification  
50 plan to be implemented by the department shall be

S-5677

-2-

S-5677

Page 3

1 consistent with the rules adopted as of the effective  
2 date of this Act pursuant to section 19A.9, subsection  
3 1, for position classification plans.

4 The new position classification plan shall be  
5 adopted by the department of personnel and implemented  
6 by the department of workforce development not later  
7 than January 1, 1997. Employees of the department of  
8 employment services and employees who were assigned to  
9 the department of economic development prior to July  
10 1, 1996, shall have an equal opportunity to apply for  
11 the positions established in the new position  
12 classification plan.

13 The department of personnel shall assist the  
14 department of workforce development with the  
15 implementation of this section.

16 In designing the local, regional, and state".

17 19. Title page, lines 4 and 5, by striking the  
18 words "by providing for state privatization  
19 contracts,".

20 20. By renumbering, relettering, or redesignating  
21 and correcting internal references as necessary.

RECEIVED FROM THE HOUSE

S-5677 FILED APRIL 4, 1996

*Senate Concurred*  
*4-16-96*

*- Motion to R/c by Vilsack 4/23/96 (P. 1481)*  
*motion to R/c Prevailed*

*(P. 1401)*

*Senate Concurred as Amended 4/23/96 P. 1481*

SENATE AMENDMENT TO HOUSE AMENDMENT TO  
SENATE FILE 2409

H-6044

1 Amend the House amendment, S-5677, to Senate File  
2 2409, as amended, passed, and reprinted by the Senate,  
3 as follows:

4 1. Page 1, by striking lines 3 through 5 and  
5 inserting the following:

6 " ". Page 1, line 15, by inserting after the  
7 word and figure "chapter 260F," the following: "and".

8 " ". Page 1, line 16, by striking the words and  
9 figure "15.341, and the loan" and inserting the  
10 following: "15.341."

11 2. Page 1, by striking lines 9 through 22.

12 3. Page 1, by striking lines 25 through 29 and  
13 inserting the following:

14 " ". Page 7, by striking lines 20 through 24 and  
15 inserting the following: "political party. Of the  
16 nine voting members, one member shall represent a non-  
17 profit organization involved in workforce development  
18 services, four members shall represent employers, and  
19 four members shall represent nonsupervisory employees.  
20 Of the members appointed by the governor to represent  
21 nonsupervisory employees, two members shall be from  
22 statewide labor organizations, one member shall be an  
23 employee representative of a labor management council,  
24 and one member shall be a person with experience in  
25 worker training programs. The governor shall consider  
26 recommendations from statewide labor organizations for  
27 the members representing nonsupervisory employees.  
28 The governor shall appoint the nine voting".

29 4. Page 2, by inserting after line 6 the  
30 following:

31 " ". Page 11, by striking line 12 and inserting  
32 the following: ". The department of economic  
33 development, the department of education, and training  
34 providers shall report information concerning the use  
35 of any state or federal training or retraining funds  
36 to the department of workforce development in a form  
37 as required by the department. The accountability  
38 system".

39 5. By striking page 2, line 32, through page 3,  
40 line 16, and inserting the following:

41 " ". Page 16, line 17, by inserting after the  
42 word "development." the following: "However, if the  
43 state workforce development board determines that an  
44 area of the state would be adversely affected by the  
45 designation of the service delivery areas by the  
46 department, the department may, after consultation  
47 with the applicable regional advisory boards and with  
48 the approval of the state workforce development board,  
49 make accommodations in determining the service  
50 delivery areas, including, but not limited to, the

H-6044

-1-

H-6044

Page 2

1 creation of a new service delivery area. In no event  
2 shall the department create more than sixteen service  
3 delivery areas."

4 6. Page 3, by inserting before line 17 the  
5 following:

6 "\_\_\_\_. Page 19, line 5, by inserting after the  
7 word "service." the following:

8 "The department of workforce development shall  
9 consult with all noncontract covered employees, or in  
10 the case of contract covered employees, the exclusive  
11 bargaining representative for those employees,  
12 concerning job classification plans or other job-  
13 related matters pertaining to the department.""

14 7. By renumbering, relettering, or redesignating  
15 and correcting internal references as necessary.

RECEIVED FROM THE SENATE

H-6044 FILED APRIL 24, 1996

*House Concurred*  
*4-24-96*  
*(p. 1885)*

Vilsack  
Hansen  
Maddox

Succeeded By  
SF/CHF 2409

SSB. 2328  
Small Business,  
Economic Development  
& Tourism

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
SMALL BUSINESS, ECONOMIC  
DEVELOPMENT, AND TOURISM BILL  
BY CHAIRPERSON HANSEN)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to workforce development by establishing a  
2 workforce development department, by eliminating the  
3 department of employment services, and including workforce  
4 development programs in the new department, by providing for  
5 state privatization contracts, and by establishing a workforce  
6 development board and regional advisory boards.

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

- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22

1 Section 1. Section 15.108, subsection 6, Code 1995, is  
2 amended to read as follows:

3 6. JOB EMPLOYEE TRAINING AND ENTREPRENEURIAL-ASSISTANCE  
4 RETRAINING. To develop job employee training and retraining  
5 strategies in coordination with the department of education  
6 and department of workforce development as tools for business  
7 development, business expansion, and enhanced competitiveness  
8 of Iowa industry, which will promote economic growth and the  
9 creation of new job opportunities and to administer related  
10 ~~programs including the federal Job Training Partnership Act.~~

11 To carry out this responsibility, the department shall:

12 a. Coordinate and perform the duties specified under the  
13 ~~job training partnership program in chapter 7B,~~ the Iowa  
14 industrial new jobs training Act in chapter 260E, and the Iowa  
15 small business new jobs training Act in chapter 260F, the  
16 workforce development fund in section 15.341, and the loan  
17 loss reserve account in section 15.345. In performing these  
18 duties, the department shall:

19 ~~(1)--Develop a job training delivery system which will~~  
20 ~~minimize administrative costs through a single delivery~~  
21 ~~system, maximize the use of public and private resources for~~  
22 ~~job training initiatives, and assume the coordination of ser-~~  
23 ~~vices and activities with other related programs at both the~~  
24 ~~state and local level.~~

25 ~~(2)--Manage a job training program reporting and evaluation~~  
26 ~~system which will measure program performance, identify~~  
27 ~~program accomplishments and service levels, evaluate how well~~  
28 ~~job training programs are being coordinated among themselves~~  
29 ~~and with other related programs, and show areas where job~~  
30 ~~training efforts need to be improved.~~

31 ~~(3)--Maintain a financial management system, file~~  
32 ~~appropriate administrative rules, and monitor the performance~~  
33 ~~of agencies and organizations involved with the administration~~  
34 ~~of job training programs assigned to the department.~~

35 b.--Develop job training strategies which will promote

1 ~~economic-growth-and-the-creation-of-new-job-opportunities-~~

2 ~~Specifically,--the-department-shall:~~

3 (1) Work closely with representatives of business and  
4 industry, labor organizations, the council on human  
5 investment, the department of education, and the department of  
6 workforce development, and educational institutions to  
7 determine the job employee training needs of Iowa employers,  
8 and where possible, provide for the development of industry-  
9 specific training programs.

10 (2) Promote Iowa job employee training programs to  
11 potential and existing Iowa employers and to employer  
12 associations.

13 (3) Develop annual goals and objectives which will  
14 identify both short-term and long-term methods to improve  
15 program performance, create employment opportunities for  
16 residents, and enhance the delivery of services.

17 (4) ~~Develop-job-training-and-technical-assistance-programs~~  
18 ~~which-will-promote-entrepreneurial-activities,--assist-small~~  
19 ~~businesses,--and-help-generate-off-farm-employment~~  
20 ~~opportunities-for-persons-engaged-in-farming. Stimulate the~~  
21 creation of innovative employee training and skills  
22 development activities, including business consortium and  
23 supplier network training programs, and new employee  
24 development training models.

25 (5) Coordinate job employee training activities with other  
26 economic development finance programs to stimulate job growth.

27 (6) ~~Develop-policies-and-plans-under-the-youth-program~~  
28 ~~provisions-of-appropriate-programs-which-will-emphasize~~  
29 ~~employing-Iowa-youth-on-projects-designed-to-improve-Iowa~~  
30 ~~parks-and-recreation-areas,--restore-historical-sites,--and~~  
31 ~~promote-tourism.--The-department-shall-coordinate-its-youth~~  
32 ~~program-efforts-with-representatives-of-educational~~  
33 ~~institutions-to-promote-the-understanding-by-youth-of-career~~  
34 ~~opportunities-in-business-and-industry. Review workforce~~  
35 development initiatives as they relate to the state's economic

1 development agenda, recommending action as necessary to meet  
2 the needs of Iowa's communities and businesses.

3 (7) Incorporate workforce development as a component of  
4 community-based economic development activities.

5 ~~c.--To-the-extent-feasible,-develop-from-available-state~~  
6 ~~and-federal-job-training-program-resources-an-entrepreneurship~~  
7 ~~training-program-to-help-encourage-the-promotion-of-small~~  
8 ~~businesses-within-the-state.--The-department-of-education-and~~  
9 ~~the-state-board-of-regents-shall-cooperate-with-the-department~~  
10 ~~on-this-program.--The-entrepreneurship-training-program-shall~~  
11 ~~coordinate-its-activities-with-other-financial-and-technical~~  
12 ~~assistance-efforts-within-the-department.~~

13 ~~d.--Administer-the-Iowa-"self-employment-loan-program"~~  
14 ~~under-section-15.241.~~

15 ~~e.--To-the-extent-feasible,-provide-assistance-to-the~~  
16 ~~department-of-human-services-in-obtaining-a-waiver-to-provide~~  
17 ~~self-employment-opportunities-to-recipients-of-assistance~~  
18 ~~under-the-family-investment-program.~~

19 ~~f.--Provide-assistance-to-workers-seeking-economic~~  
20 ~~conversion-of-closed-or-economically-distressed-plants-located~~  
21 ~~in-the-state-including,-but-not-limited-to,-the-following:~~

22 ~~(1)--Evaluating-the-feasibility-and-economic-viability-of~~  
23 ~~proposed-employee-owned-businesses.~~

24 ~~(2)--Working-with-the-small-business-development-centers-to~~  
25 ~~provide-technical-assistance-and-counseling-services~~  
26 ~~including,-but-not-limited-to,-legal,-tax,-management,-~~  
27 ~~marketing,-labor,-and-contract-assistance-to-persons-who-seek~~  
28 ~~to-form-employee-owned-businesses.~~

29 ~~(3)--Assisting-persons-in-obtaining-financing-for-the~~  
30 ~~purchase-and-operation-of-employee-owned-businesses.~~

31 Sec. 2. Section 15.108, subsection 7, Code 1995, is  
32 amended by adding the following new paragraph:

33 NEW PARAGRAPH. k. Administer the Iowa "self-employment  
34 loan program" under section 15.241.

35 Sec. 3. Section 15.108, subsection 9, paragraph a, Code

1 1995, is amended to read as follows:

2 a. Collect and assemble, or cause to have collected and  
3 assembled, all pertinent information available regarding the  
4 industrial, agricultural, and public and private recreation  
5 and tourism opportunities and possibilities of the state of  
6 Iowa, including raw materials and products that may be  
7 produced from them; power and water resources; transportation  
8 facilities; available markets; ~~the-availability-of-labor;~~ the  
9 banking and financing facilities; the availability of  
10 industrial sites; the advantages of the state as a whole, and  
11 the particular sections of the state, as industrial locations;  
12 the development of a grain alcohol motor fuel industry and its  
13 related products; and other fields of research and study as  
14 the board deems necessary. This information, as far as  
15 possible, shall consider both the encouragement of new  
16 industrial enterprises in the state and the expansion of  
17 industries now existing within the state, and allied fields to  
18 those industries. The information shall also consider the  
19 changing composition of the Iowa family, and the level of  
20 poverty among different age groups and different family  
21 structures in Iowa society, ~~and the-changing-composition-of~~  
22 ~~the-Iowa-work-force-and-the~~ their ~~impact of-these-changes~~ on  
23 Iowa families.

24 Sec. 4. Section 15.108, subsection 9, Code 1995, is  
25 amended by adding the following new paragraph:

26 NEW PARAGRAPH. f. Provide technical assistance to  
27 individuals who are pursuing the purchase and operation of  
28 employee-owned businesses.

29 Sec. 5. Section 15.343, subsection 1, paragraph a, Code  
30 Supplement 1995, is amended to read as follows:

31 a. Notwithstanding section 8.33, all unencumbered and  
32 unobligated funds from 1994 Iowa Acts, chapter 1201, section  
33 1, subsection 6, except paragraph "d", section 3, subsections  
34 1 and 3, and section 10, remaining on July 1, 1995, and all  
35 unencumbered and unobligated funds in the Iowa conservation

1 corps escrow account established in section ~~15-229~~ 84A.4 and  
2 the job training fund established in section 260F.6.

3 Sec. 6. Section 15.343, subsection 2, paragraph a, Code  
4 Supplement 1995, is amended to read as follows:

5 a. The Iowa conservation corps created in ~~sections-15-224~~  
6 ~~through-15-230~~ section 84A.4.

7 Sec. 7. Section 15.343, subsection 2, paragraph e, Code  
8 Supplement 1995, is amended to read as follows:

9 e. For the workforce investment program under section  
10 ~~15-348~~ 84A.5.

11 Sec. 8. NEW SECTION. 72.1A PRIVATIZATION CONTRACTS --  
12 WAGES AND BENEFITS.

13 Officers empowered to expend, or direct the expenditure of,  
14 public moneys of the state shall not enter into any contract  
15 which contemplates an expenditure of moneys to transfer the  
16 performance of services provided by the state using state  
17 employees as of the end of the previous fiscal year to an  
18 independent contractor or employees other than state employees  
19 or to provide new state services using an independent  
20 contractor or employees other than state employees, unless the  
21 wages or their equivalents paid to the independent contractors  
22 or private employees performing the services are equal to or  
23 exceed the wages paid to state workers who were performing the  
24 services or to state workers performing comparable services  
25 and unless the benefits paid to the independent contractors or  
26 private employees are comparable to those paid state  
27 employees.

28 Sec. 9. Section 84A.1, Code 1995, is amended to read as  
29 follows:

30 84A.1 DEPARTMENT OF EMPLOYMENT-SERVICES WORKFORCE  
31 DEVELOPMENT -- DIRECTOR -- DIVISIONS.

32 1. The department of employment-services workforce  
33 development is created to administer the laws of this state  
34 relating to unemployment compensation insurance, job placement  
35 and training, employment safety, labor standards, and workers'

1 compensation.

2 2. The chief executive officer of the department is the  
3 director who shall be appointed by the governor, subject to  
4 confirmation by the senate under the confirmation procedures  
5 of section 2.32. The director shall serve at the pleasure of  
6 the governor. ~~The director shall be subject to reconfirmation~~  
7 ~~by the senate, under the confirmation procedures of section~~  
8 ~~2.32, during the regular session of the general assembly~~  
9 ~~convening in January if the director will complete the~~  
10 ~~director's fourth year in office on or before the following~~  
11 ~~April 30.~~ The governor shall set the salary of the director  
12 within the applicable salary range established by the general  
13 assembly. The director shall be selected solely on the  
14 ability to administer the duties and functions granted to the  
15 director and the department and shall devote full time to the  
16 duties of the director. If the office of director becomes  
17 vacant, the vacancy shall be filled in the same manner as the  
18 original appointment was made.

19 The director of the department ~~of employment services~~ shall  
20 ~~serve as job service commissioner and shall,~~ subject to the  
21 requirements of section 84A.1B, prepare, administer, and  
22 control the budget of the department and its divisions and  
23 ~~shall approve the employment of all personnel of the~~  
24 ~~department and its divisions.~~ The director shall employ  
25 personnel as necessary to carry out the duties and  
26 responsibilities of the department, consistent with the merit  
27 system provisions of chapter 19A for employees other than  
28 professional and technical employees. Professional and  
29 technical employees of the department are exempt from the  
30 merit system provisions of chapter 19A, except as otherwise  
31 required by federal law and regulation, and except for  
32 employees in the divisions of labor services and industrial  
33 services.

34 The director shall direct the administrative and compliance  
35 functions and control the docket of the division of industrial

1 services.

2 3. The department shall include ~~the division of job~~  
3 ~~service~~, the division of labor services, and the division of  
4 industrial services, and other divisions as appropriate.

5 Sec. 10. NEW SECTION. 84A.1A WORKFORCE DEVELOPMENT  
6 BOARD.

7 1. An Iowa workforce development board is created,  
8 consisting of eight voting members appointed by the governor  
9 and seven ex officio nonvoting members. The ex officio  
10 nonvoting members are four legislative members; one president  
11 or the president's designee of the university of northern  
12 Iowa, the university of Iowa, or Iowa state university of  
13 science and technology, designated by the state board of  
14 regents on a rotating basis; one representative from the  
15 largest statewide public employees' organization representing  
16 state employees; and one superintendent or the  
17 superintendent's designee of a community college, appointed by  
18 the Iowa association of community college presidents. The  
19 legislative members are two state senators, one appointed by  
20 the president of the senate, after consultation with the  
21 majority leader of the senate, and one appointed by the  
22 minority leader of the senate, after consultation with the  
23 president of the senate, from their respective parties; and  
24 two state representatives, appointed by the speaker after  
25 consultation with the majority and minority leaders of the  
26 house of representatives from their respective parties. Not  
27 more than five of the voting members shall be from the same  
28 political party and there shall be an equal number of  
29 representatives from business and labor. The governor shall  
30 appoint the eight voting members of the board for a term of  
31 four years beginning and ending as provided by section 69.19,  
32 subject to confirmation by the senate, and the governor's  
33 appointments shall include persons knowledgeable of the  
34 various elements of the department's responsibilities.

35 2. A vacancy on the board shall be filled in the same

1 manner as regular appointments are made for the unexpired  
2 portion of the regular term.

3 3. The board shall meet in May of each year for the  
4 purpose of electing one of its voting members as chairperson  
5 and one of its voting members as vice chairperson. However,  
6 the chairperson and the vice chairperson shall not be from the  
7 same political party. The board shall meet at the call of the  
8 chairperson or when any five members of the board file a  
9 written request with the chairperson for a meeting. Written  
10 notice of the time and place of each meeting shall be given to  
11 each member of the board. A majority of the voting members  
12 constitutes a quorum.

13 4. Members of the board, the director, and other employees  
14 of the department shall be allowed their actual and necessary  
15 expenses incurred in the performance of their duties. All  
16 expenses shall be paid from appropriations for those purposes  
17 and the department is subject to the budget requirements of  
18 chapter 8. Each member of the board may also be eligible to  
19 receive compensation as provided in section 7E.6.

20 5. If a member of the board has an interest, either direct  
21 or indirect, in a contract to which the department is or is to  
22 be a party, the interest shall be disclosed to the board in  
23 writing and shall be set forth in the minutes of a meeting of  
24 the board. The member having the interest shall not  
25 participate in action by the board with respect to the  
26 contract. This subsection does not limit the right of a  
27 member of the board to acquire an interest in bonds, or limit  
28 the right of a member to have an interest in a bank or other  
29 financial institution in which the funds of the department are  
30 deposited or which is acting as trustee or paying agent under  
31 a trust indenture to which the department is a party.

32 Sec. 11. NEW SECTION. 84A.1B DUTIES OF THE WORKFORCE  
33 DEVELOPMENT BOARD.

34 The workforce development board shall do all of the  
35 following:

1 1. Develop and coordinate the implementation of a twenty-  
2 year comprehensive workforce development plan of specific  
3 goals, objectives, and policies for the state. This plan  
4 shall be updated annually and revised as necessary. All other  
5 state agencies involved in workforce development activities  
6 and the regional advisory boards for workforce development  
7 shall annually submit to the board for its review and  
8 potential inclusion in the plan their goals, objectives, and  
9 policies.

10 2. Prepare a five-year strategic plan for state workforce  
11 development to implement the specific comprehensive goals,  
12 objectives, and policies of the state. All other state  
13 agencies involved in workforce development activities and the  
14 regional advisory boards for workforce development shall  
15 annually submit to the board for its review and potential  
16 inclusion in the strategic plan their specific strategic plans  
17 and programs. The five-year strategic plan for state  
18 workforce development shall be updated annually.

19 3. Develop a method of evaluation of the attainment of  
20 goals and objectives from pursuing the policies of the five-  
21 year and twenty-year plans.

22 4. Implement the requirements of chapter 73.

23 5. Approve the budget of the department as prepared by the  
24 director.

25 6. Establish guidelines, procedures, and policies for the  
26 awarding of grants or contracts administered by the  
27 department.

28 7. Review grants or contracts awarded by the department,  
29 with respect to the department's adherence to the guidelines  
30 and procedures and the impact on the five-year strategic plan  
31 for workforce development.

32 8. Make recommendations concerning the use of federal  
33 funds received by the department with respect to the five-year  
34 and twenty-year workforce development plans.

35 9. Adopt all necessary rules recommended by the director

1 or administrators of divisions prior to their adoption  
2 pursuant to chapter 17A.

3 Sec. 12. NEW SECTION. 84A.1C REGIONAL ADVISORY BOARDS.

4 1. A regional advisory board shall be established in each  
5 service delivery area as defined in section 84B.2. The  
6 members of the board shall be appointed by the governor. The  
7 membership of each board shall provide for equal  
8 representation of business and labor and shall include a  
9 county elected official, a city official, a superintendent of  
10 schools, and a representative of a community college.

11 2. Each regional advisory board shall identify workforce  
12 development needs in its region, assist the workforce  
13 development board and the department in the awarding of grants  
14 or contracts administered by the department in that region and  
15 in monitoring the performance of the grants and contracts  
16 awarded, make annual reports as required by section 84A.1B,  
17 and make recommendations to the workforce development board  
18 and department concerning workforce development.

19 3. Section 84A.1A, subsections 2 through 5, apply to the  
20 members of a regional advisory board except that the board  
21 shall meet if a majority of the members of the board, and not  
22 five, file a written request with the chairperson for a  
23 meeting.

24 Sec. 13. Section 84A.2, Code 1995, is amended to read as  
25 follows:

26 84A.2 ~~DEPARTMENT-AND-DIVISION~~ DEPARTMENT'S PRIMARY  
27 RESPONSIBILITIES.

28 The department of workforce development, in consultation  
29 with the workforce development board and the regional advisory  
30 boards, has the primary responsibilities set out in this  
31 section.

32 1. The department shall develop and implement a workforce  
33 development system which increases the skills of the Iowa  
34 workforce, fosters economic growth and the creation of new  
35 high skill and high wage jobs through job placement and

1 training services, increases the competitiveness of Iowa  
2 businesses by promoting high performance workplaces, and  
3 encourages investment in workers.

4 The workforce development system shall strive to provide  
5 high quality services to its customers including workers,  
6 families, and businesses. The department shall maintain a  
7 common intake, assessment, and customer tracking system and to  
8 the extent practical provide one-stop services to customers at  
9 workforce development centers and other service access points.

10 The system shall include an accountability system to  
11 measure program performance, identify accomplishments,  
12 evaluate programs to ensure goals and standards are met. The  
13 accountability system shall use information obtained from the  
14 customer tracking system, the department of economic  
15 development, the department of education, and training  
16 providers to evaluate the effectiveness of programs  
17 administered by the department. The accountability system  
18 shall evaluate all of the following:

19 a. The impact of services on wages earned by individuals.

20 b. The effectiveness of training services providers in  
21 raising the skills of the Iowa workforce.

22 c. The impact of placement and training services on Iowa's  
23 families, communities, and economy.

24 The department shall make information from the customer  
25 tracking and accountability system available to the department  
26 of economic development, the department of education, and  
27 other appropriate public agencies for the purpose of assisting  
28 with the evaluation of programs administered by those  
29 departments and agencies and for planning and researching  
30 public policies relating to education and economic  
31 development.

32 ~~1-~~ 2. The division-of-job-service department is  
33 responsible for the administration of unemployment  
34 compensation benefits and for the collection of employer  
35 contributions under chapter 96,--The-division-is-responsible

1 ~~for-the-administration-of~~ providing for the delivery of free  
2 public employment ~~offices~~ services established pursuant to  
3 chapter 96, other job placement and training programs  
4 established pursuant to section 84A.3, and the ~~administration~~  
5 ~~of-the-offices-of-the-division~~ delivery of services located  
6 throughout the state ~~and-for-the-personnel-attached-to-these~~  
7 ~~offices. The-executive-head-of-the-division-is-the-job~~  
8 ~~service-commissioner, appointed-pursuant-to-section-96-10-~~

9 ~~2-~~ 3. The division of labor services is responsible for  
10 the administration of the laws of this state relating to  
11 occupational health and safety, the inspection of amusement  
12 rides, the removal and encapsulation of asbestos, the  
13 inspection of boilers, wage payment collection, registration  
14 of construction contractors, the minimum wage, non-English  
15 speaking employees, child labor, employment agency licensing,  
16 boxing and wrestling, inspection of elevators, and hazardous  
17 chemical risks under chapters 88, 88A, 88B, 89, 89A, 89B, 90A,  
18 91, 91A, 91C, 91D, 91E, 92, 94, and 95. The executive head of  
19 the division is the labor commissioner, appointed pursuant to  
20 section 91.2.

21 ~~3-~~ 4. The division of industrial services is responsible  
22 for the administration of the laws of this state relating to  
23 workers' compensation under chapters 85, 85A, 85B, 86, and 87.  
24 The executive head of the division is the industrial  
25 commissioner, appointed pursuant to section 86.1.

26 ~~4-~~ 5. The director shall form a coordinating committee  
27 composed of the ~~job-service-commissioner~~ director, the labor  
28 commissioner, ~~and the industrial commissioner, and other~~  
29 administrators. The committee shall monitor federal  
30 compliance issues relating to coordination of functions among  
31 the divisions.

32 6. The department shall administer the following programs:

33 a. The Iowa conservation corps established under section  
34 84A.4.

35 b. The workforce investment program established under

1 section 84A.5.

2 c. The statewide mentoring program established under  
3 section 84A.6.

4 d. The workforce development centers established under  
5 chapter 84B.

6 e. Job training partnership programs under chapter 7B.

7 7. The department shall work with the department of  
8 economic development to incorporate workforce development as a  
9 component of community-based economic development.

10 Sec. 14. Section 84A.3, Code 1995, is amended to read as  
11 follows:

12 84A.3 JOB PLACEMENT AND TRAINING PROGRAMS.

13 ~~1. The job-service commissioner, in coordination with the~~  
14 ~~department of economic development, may provide, with or~~  
15 ~~without reimbursement, intake, client eligibility, and a~~  
16 ~~significant portion of job placement services to individuals~~  
17 ~~participating in the job training partnership program~~  
18 ~~established under chapter 7B. The department of employment~~  
19 ~~services workforce development, in consultation with the~~  
20 ~~workforce development board and the regional advisory boards,~~  
21 ~~the department of education, and the department of economic~~  
22 ~~development shall work together to develop policies~~  
23 ~~encouraging coordination between job training skill~~  
24 ~~development, labor exchange, and economic development~~  
25 ~~activities.~~

26 ~~2. The job-service commissioner, in cooperation with the~~  
27 ~~department of elder affairs, shall establish an experimental~~  
28 ~~retired-Iowan employment program. The program shall encourage~~  
29 ~~and promote the meaningful employment of retired citizens of~~  
30 ~~the state.~~

31 2. The director, in cooperation with the department of  
32 human services, shall provide job placement and training to  
33 persons referred by the department of human services under the  
34 PROMISE JOBS program established pursuant to chapter 249C and  
35 the food stamp employment and training program.

1 3. The job-service-commissioner director, in cooperation  
2 with the department of human rights and the vocational  
3 rehabilitation division of the department of education, shall  
4 establish a program to provide job placement and training to  
5 persons with disabilities.

6 Sec. 15. NEW SECTION. 84A.4 IOWA CONSERVATION CORPS.

7 1. DEFINITIONS. As used in this section, unless the  
8 context otherwise requires:

9 a. "Account" means the Iowa conservation corps account.

10 b. "Corps" means the Iowa conservation corps.

11 2. IOWA CONSERVATION CORPS ESTABLISHED. The Iowa  
12 conservation corps is established in this state to provide  
13 meaningful and productive public service jobs for the youth,  
14 the unemployed, the disabled, the disadvantaged, and the  
15 elderly, and to provide participants with an opportunity to  
16 explore careers, gain work experience, and contribute to the  
17 general welfare of their communities and the state. The corps  
18 shall provide opportunities in the areas of natural resource  
19 and wildlife conservation, park maintenance and restoration,  
20 land management, energy savings, community improvement  
21 projects, tourism, economic development, and work benefiting  
22 human services programs. The department of workforce  
23 development shall administer the corps and shall adopt rules  
24 governing its operation, eligibility for participation, cash  
25 contributions, and implementation of an incentive program.

26 3. FUNDING. Corps projects shall be funded by  
27 appropriations to the Iowa conservation corps account and by  
28 cash, services, and material contributions made by other state  
29 agencies or local public and private agencies. Public and  
30 private entities who benefit from a corps project shall  
31 contribute at least thirty-five percent of the total project  
32 budget. The contributions may be in the form of cash,  
33 materials, or services. Materials and services shall be  
34 intended for the project and acceptable to the department.  
35 Minimum levels of contributions shall be prescribed in rules

1 adopted by the department.

2 4. ACCOUNT CREATED. The Iowa conservation corps account  
3 is established within and administered by the department. The  
4 account shall include all appropriations made to programs  
5 administered by the corps, and may also include moneys  
6 contributed by a private individual or organization, or a  
7 public entity for the purpose of implementing corps programs  
8 and projects. The department may establish an escrow account  
9 within the department and obligate moneys within that escrow  
10 account for tuition payments to be made beyond the term of any  
11 fiscal year. Interest earned on moneys in the Iowa  
12 conservation corps account shall be credited to the account.

13 Sec. 16. NEW SECTION. 84A.5 WORKFORCE INVESTMENT  
14 PROGRAM.

15 A workforce investment program is established to enable  
16 more Iowans to enter or reenter the workforce. The workforce  
17 investment program shall provide training and support services  
18 to population groups that have historically faced barriers to  
19 employment. The department of workforce development shall  
20 administer the workforce investment program and shall adopt  
21 rules governing its operation and eligibility guidelines for  
22 participation.

23 Sec. 17. NEW SECTION. 84A.6 STATEWIDE MENTORING PROGRAM.

24 A statewide mentoring program is established to recruit,  
25 screen, train, and match individuals in a mentoring  
26 relationship. The department of workforce development shall  
27 administer the program in collaboration with the departments  
28 of human services, education, and human rights. The  
29 availability of the program is subject to the funding  
30 appropriated for the purposes of the program.

31 Sec. 18. Section 84B.1, unnumbered paragraph 1, Code 1995,  
32 is amended to read as follows:

33 The ~~departments~~ department of ~~employment-services-and~~  
34 ~~economic~~ workforce development, in consultation with the  
35 departments of economic development, education, elder affairs,

1 human services, and human rights, and the department for the  
 2 blind, shall establish guidelines for colocating state and  
 3 federal employment and training programs in centers providing  
 4 services at the local level. The centers shall be known as  
 5 workforce development centers. The departments shall also  
 6 jointly establish an integrated management information system  
 7 for linking the programs within a local center to the same  
 8 programs within other local centers and to the state. The  
 9 guidelines shall provide for local design and operation within  
 10 the guidelines. The core services available at a center shall  
 11 include but are not limited to all of the following:

12 Sec. 19. NEW SECTION. 84B.2 WORKFORCE DEVELOPMENT  
 13 CENTERS -- LOCATION.

14 A workforce development center, as provided in section  
 15 84B.1, shall be located in each service delivery area. Each  
 16 workforce development center shall also maintain a presence,  
 17 through satellite offices or electronic means, in each county  
 18 located within that service delivery area. For purposes of  
 19 this section, "service delivery area" means the area included  
 20 within a merged area, as defined in section 260C.2, realigned  
 21 to the closest county border as determined by the department  
 22 of workforce development.

23 Sec. 20. Section 96.12, subsection 1, Code 1995, is  
 24 amended to read as follows:

25 1. DUTIES OF DIVISION DEPARTMENT. The ~~division-of-job~~  
 26 ~~service department~~ shall establish and maintain free public  
 27 ~~employment offices-in-such-number-and-in-such-places-as-may-be~~  
 28 ~~necessary-for-the-proper-administration-of-this-chapter~~  
 29 services accessible to all Iowans for the purposes of this  
 30 chapter, and for the purpose of performing such the duties as  
 31 ~~are-within-the-purview-of-the-Act-of-Congress-entitled-"An-Act~~  
 32 ~~to-provide-for-the-establishment-of-a-national-employment~~  
 33 ~~system-and-for-co-operation-with-the-states-in-the-promotion~~  
 34 ~~of-such-system,-and-for-other-purposes"-approved-June-6-~~  
 35 ~~1933,-as-amended,-and-known-as~~ required by federal and state

1 laws relating to employment and training including the Wagner-  
2 Peyser Act, [48 Stat. L. 1137, 29 U.S.C. § 49]. All duties  
3 and powers conferred upon any other department, agency, or  
4 officer of this state relating to the establishment,  
5 maintenance, and operation of free employment offices services  
6 shall be vested in the division department. The This state  
7 accepts and shall comply with the provisions of the said  
8 Wagner-Peyser Act of Congress, as amended, are hereby accepted  
9 by this state, in conformity with section 4 of said Act, and  
10 this state will observe and comply with the requirements  
11 thereof. The division department is designated and  
12 constituted the agency of this state for the purpose of said  
13 the Wagner-Peyser Act. The division department may co-operate  
14 with the railroad retirement board with respect to the  
15 establishment, maintenance, and use of employment-service  
16 department facilities. The railroad retirement board shall  
17 compensate the division department for such the services or  
18 facilities in the amount determined by the division department  
19 to be fair and reasonable.

20 Sec. 21. Section 96.19, subsection 7, Code Supplement  
21 1995, is amended by striking the subsection.

22 Sec. 22. Section 96.19, Code Supplement 1995, is amended  
23 by adding the following new subsection:

24 NEW SUBSECTION. 11A. "Director" means the director of the  
25 department of workforce development created in section 84A.1.

26 Sec. 23. Section 96.19, subsection 12, Code Supplement  
27 1995, is amended by striking the subsection.

28 Sec. 24. AMENDMENTS CHANGING TERMINOLOGY -- DIRECTIVE TO  
29 CODE EDITOR.

30 1. Sections 7B.2, 7B.5, 7E.5, 8.36, 11.5B, 13.7, 15.108,  
31 15.241, 15E.111, 30.2, 30.5, 30.7, 68B.2, 85.31, 85.34, 85.37,  
32 85.59, 86.8, 86.9, 88.2, 88A.1, 88B.1, 89A.1, 89B.3, 91.1,  
33 91.4, 91C.2, 91C.7, 91C.8, 91E.1, 91E.2, 92.11, 92.12, 231.51,  
34 231.52, 231.53, 239A.1, 239A.2, 239A.3, 241.3, 249C.3,  
35 249C.14, 252B.7A, 252G.2, 260F.3, 260F.7, 626.29, and 912.3,

1 Code 1995, are amended by striking from the sections the words  
2 "department of employment services" and inserting in lieu  
3 thereof the words "department of workforce development".

4 2. Sections 96.3, 96.19, 225C.4, 256.38, 256.39, 279.51,  
5 331.602, 331.653, 331.756, and 422.7, Code Supplement 1995,  
6 are amended by striking from the sections the words "depart-  
7 ment of employment services" and inserting in lieu thereof the  
8 words "department of workforce development".

9 3. Sections 96.4, 96.9, 96.11, and 96.14, Code 1995, are  
10 amended by striking from the sections the word "commissioner"  
11 and inserting in lieu thereof the word "director".

12 4. Sections 96.3 and 96.6, Code Supplement 1995, are  
13 amended by striking from the sections the word "commissioner"  
14 and inserting in lieu thereof the word "director".

15 5. The Code editor is directed to substitute the words  
16 "department of workforce development" for the words  
17 "department of employment services" when there appears to be  
18 no doubt as to the intent to refer to the department of  
19 employment services.

20 6. The Code editor is directed to substitute the words  
21 "director of the department of workforce development" for the  
22 words "job service commissioner" elsewhere in the Code.

23 7. The Code editor is directed to substitute the word  
24 "department" for the word "division" or "division of job  
25 service" or "division of job service of the department of  
26 employment services", in chapter 96, when there appears to be  
27 no doubt as to the intent, to refer to the "division of job  
28 service".

29 8. The Code editor is directed to substitute the words  
30 "department of workforce development" for the words "division  
31 of job service", or "division of job service of the department  
32 of employment services", except for chapter 96, elsewhere in  
33 the Code.

34 Sec. 25. The director of the department of workforce  
35 development shall, in cooperation with the department of

1 personnel, make recommendations to the department of personnel  
2 concerning the development and implementation of a new  
3 position classification plan for the department. The position  
4 classification plan shall reflect the expanded  
5 responsibilities of the department, facilitate the integration  
6 of job training and job placement programs, foster a  
7 professional, innovative, and high performance working  
8 environment, and provide flexibility in designing and  
9 implementing local and regional workforce development delivery  
10 systems.

11 The new position classification plan shall be adopted by  
12 the department of personnel and implemented by the department  
13 of workforce development not later than January 1, 1997.

14 Employees of the department of employment services and  
15 employees who were assigned to the department of economic  
16 development prior to July 1, 1996, shall have an equal  
17 opportunity to apply for the positions established in the new  
18 position classification plan.

19 The department of personnel shall assist the department of  
20 workforce development with the implementation of this section.

21 In designing the local, regional, and state service  
22 delivery system for Iowa, the director of the department of  
23 workforce development shall minimize administrative costs,  
24 encourage federal, state, and local government collaboration,  
25 maximize the use of public and private resources, and provide  
26 opportunities to respond to locally determined needs and  
27 priorities while ensuring equal access to core or common  
28 employment and training services, as defined by federal law  
29 and regulation.

30 Sec. 26. Any personnel who are mandatorily transferred due  
31 to the effect of this Act shall be so transferred without any  
32 loss in salary, benefits, or accrued years of service.

33 Sec. 27. REPEALS.

34 1. Sections 15.224 through 15.230, section 96.10, and  
35 section 239.22, Code 1995, are repealed.

1 2. Sections 15.347 and 15.348, Code Supplement 1995, are  
2 repealed.

3

#### EXPLANATION

4 This bill creates the department of workforce development.  
5 This new department replaces the current department of  
6 employment services. In addition, the bill transfers certain  
7 responsibilities from the department of economic development  
8 to the new department of workforce development. The bill also  
9 provides that the merit system provisions of chapter 19A do  
10 not apply to professional and technical employees of the new  
11 department unless otherwise required by federal law or if the  
12 employees are in the division of labor services or the  
13 division of industrial services. The bill also provides that  
14 a new position classification plan be adopted for the new  
15 department. In addition, the bill eliminates the division of  
16 job service and job service commissioner with the director of  
17 the department of workforce development and the new department  
18 being given these duties.

19 The bill provides that the department of economic  
20 development is responsible for incorporating workforce  
21 development as a component of community-based economic  
22 development planning activities and for reviewing workforce  
23 development as it relates to the state's economic development  
24 agenda.

25 The bill provides that the new department of workforce  
26 development undertake several additional duties previously  
27 administered by other departments. The new department is  
28 responsible for developing a job training delivery system,  
29 managing job training program reporting, and administering the  
30 Iowa conservation corps, workforce development centers, the  
31 workforce investment program, and the statewide mentoring  
32 program.

33 This bill provides that a contract for the privatization of  
34 state services require that the wages paid the independent  
35 contractors or private employees be at or above those paid to

1 state employees performing the same or comparable work and  
2 that the independent contractors or private employees receive  
3 benefits comparable to those received by state employees.

4 The bill establishes a workforce development board,  
5 consisting of eight voting members with equal representation  
6 of business and labor members, and seven ex officio members.  
7 The board is directed to develop 20-year and five-year  
8 comprehensive workforce development plans. The board shall  
9 also approve the budget of the new department of workforce  
10 development, establish guidelines and review procedures  
11 concerning the awarding and monitoring of grants and contracts  
12 awarded by the department, and adopt administrative rules for  
13 the department.

14 The bill also establishes regional advisory boards within  
15 each community college district extended to the county  
16 borders. The regional boards shall provide for equal  
17 representation of business and labor and include certain  
18 county, city, and school officials. The regional boards are  
19 established to provide advice concerning workforce development  
20 issues to the workforce development board and the department  
21 and to monitor the performance of grants awarded in the  
22 region.

23 The bill also requires the location of a workforce  
24 development center within each merged area as defined in  
25 section 260C.2, realigned to the closest county border by the  
26 new department, and to provide a presence, through satellite  
27 offices or electronic means, in each county within the merged  
28 area.

29

30

31

32

33

34

35

SENATE FILE 2409

AN ACT

RELATING TO WORKFORCE DEVELOPMENT BY ESTABLISHING A WORKFORCE DEVELOPMENT DEPARTMENT, BY ELIMINATING THE DEPARTMENT OF EMPLOYMENT SERVICES, AND INCLUDING WORKFORCE DEVELOPMENT PROGRAMS IN THE NEW DEPARTMENT, AND BY ESTABLISHING A WORKFORCE DEVELOPMENT BOARD AND REGIONAL ADVISORY BOARDS.

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

Section 1. Section 15.108, subsection 6, Code 1995, is amended to read as follows:

6. JOB EMPLOYEE TRAINING AND ENTREPRENEURIAL-ASSISTANCE RETRAINING. To develop job employee training and retraining strategies in coordination with the department of education and department of workforce development as tools for business development, business expansion, and enhanced competitiveness of Iowa industry, which will promote economic growth and the creation of new job opportunities and to administer related programs including the federal Job Training Partnership Act. To carry out this responsibility, the department shall:

a. Coordinate and perform the duties specified under the job-training-partnership-program-in-chapter-7B, the Iowa industrial new jobs training Act in chapter 260E, and the Iowa small business new jobs training Act in chapter 260F, and the workforce development fund in section 15.341.

b. In performing these the duties set out in paragraph "a", the department shall:

~~(1)--Develop a job training delivery system which will minimize administrative costs through a single delivery system, maximize the use of public and private resources for job training initiatives, and assume the coordination of services and activities with other related programs at both the state and local level.~~

~~(2)--Manage a job training program reporting and evaluation system which will measure program performance, identify program accomplishments and service levels, evaluate how well job training programs are being coordinated among themselves and with other related programs, and show areas where job training efforts need to be improved.~~

~~(3)--Maintain a financial management system, file appropriate administrative rules, and monitor the performance of agencies and organizations involved with the administration of job training programs assigned to the department.~~

~~b.--Develop job training strategies which will promote economic growth and the creation of new job opportunities. Specifically, the department shall:~~

(1) Work closely with representatives of business and industry, labor organizations, the council on human investment, the department of education, and the department of workforce development, and educational institutions to determine the job employee training needs of Iowa employers, and where possible, provide for the development of industry-specific training programs.

(2) Promote Iowa job employee training programs to potential and existing Iowa employers and to employer associations.

(3) Develop annual goals and objectives which will identify both short-term and long-term methods to improve program performance, create employment opportunities for residents, and enhance the delivery of services.

(4) ~~Develop job training and technical assistance programs which will promote entrepreneurial activities, assist small businesses, and help generate off-farm employment~~

opportunities for persons engaged in farming; Stimulate the creation of innovative employee training and skills development activities, including business consortium and supplier network training programs, and new employee development training models.

(5) Coordinate job employee training activities with other economic development finance programs to stimulate job growth.

(6) Develop policies and plans under the youth program provisions of appropriate programs which will emphasize employing Iowa youth on projects designed to improve Iowa parks and recreation areas, restore historical sites, and promote tourism. The department shall coordinate its youth program efforts with representatives of educational institutions to promote the understanding by youth of career opportunities in business and industry. Review workforce development initiatives as they relate to the state's economic development agenda, recommending action as necessary to meet the needs of Iowa's communities and businesses.

(7) Incorporate workforce development as a component of community-based economic development activities.

~~c. To the extent feasible, develop from available state and federal job training program resources an entrepreneurship training program to help encourage the promotion of small businesses within the state. The department of education and the state board of regents shall cooperate with the department on this program. The entrepreneurship training program shall coordinate its activities with other financial and technical assistance efforts within the department.~~

~~d. Administer the Iowa "self-employment loan program" under section 15.241.~~

~~e. To the extent feasible, provide assistance to the department of human services in obtaining a waiver to provide self-employment opportunities to recipients of assistance under the family investment program.~~

~~f. Provide assistance to workers seeking economic conversion of closed or economically distressed plants located in the state including, but not limited to, the following:~~

~~(1) Evaluating the feasibility and economic viability of proposed employee-owned businesses.~~

~~(2) Working with the small business development centers to provide technical assistance and counseling services including, but not limited to, legal, tax, management, marketing, labor, and contract assistance to persons who seek to form employee-owned businesses.~~

~~(3) Assisting persons in obtaining financing for the purchase and operation of employee-owned businesses.~~

Sec. 2. Section 15.108, subsection 7, Code 1995, is amended by adding the following new paragraph:

NEW PARAGRAPH. k. Administer the Iowa "self-employment loan program" under section 15.241.

Sec. 3. Section 15.108, subsection 9, paragraph a, Code 1995, is amended to read as follows:

a. Collect and assemble, or cause to have collected and assembled, all pertinent information available regarding the industrial, agricultural, and public and private recreation and tourism opportunities and possibilities of the state of Iowa, including raw materials and products that may be produced from them; power and water resources; transportation facilities; available markets; the availability of labor; the banking and financing facilities; the availability of industrial sites; the advantages of the state as a whole, and the particular sections of the state, as industrial locations; the development of a grain alcohol motor fuel industry and its related products; and other fields of research and study as the board deems necessary. This information, as far as possible, shall consider both the encouragement of new industrial enterprises in the state and the expansion of industries now existing within the state, and allied fields to those industries. The information shall also consider the changing composition of the Iowa family, and the level of poverty among different age groups and different family structures in Iowa society, and the changing composition of the Iowa work force and the their impact of those changes on Iowa families.

Sec. 4. Section 15.108, subsection 9, Code 1995, is amended by adding the following new paragraph:

NEW PARAGRAPH. f. Provide technical assistance to individuals who are pursuing the purchase and operation of employee-owned businesses.

Sec. 5. Section 15.343, subsection 1, paragraph a, Code Supplement 1995, is amended to read as follows:

a. Notwithstanding section 8.33, all unencumbered and unobligated funds from 1994 Iowa Acts, chapter 1201, section 1, subsection 6, except paragraph "d", section 3, subsections 1 and 3, and section 10, remaining on July 1, 1995, and all unencumbered and unobligated funds in the Iowa conservation corps escrow account established in section ~~15-229~~ 84A.4 and the job training fund established in section 260F.6.

Sec. 6. Section 15.343, subsection 2, paragraph a, Code Supplement 1995, is amended to read as follows:

a. The Iowa conservation corps created in ~~sections 15-224 through 15-230~~ section 84A.4.

Sec. 7. Section 15.343, subsection 2, paragraph e, Code Supplement 1995, is amended to read as follows:

e. For the workforce investment program under section ~~15-348~~ 84A.5.

Sec. 8. Section 84A.1, Code 1995, is amended to read as follows:

84A.1 DEPARTMENT OF ~~EMPLOYMENT-SERVICES~~ WORKFORCE DEVELOPMENT -- DIRECTOR -- DIVISIONS.

1. The department of employment-services workforce development is created to administer the laws of this state relating to unemployment compensation insurance, job placement and training, employment safety, labor standards, and workers' compensation.

2. The chief executive officer of the department is the director who shall be appointed by the governor, subject to confirmation by the senate under the confirmation procedures of section 2.32. The director shall serve at the pleasure of the governor. ~~The director shall be subject to reconfirmation~~

~~by the senate, under the confirmation procedures of section 2.32, during the regular session of the general assembly convening in January if the director will complete the director's fourth year in office on or before the following April 30.~~ The governor shall set the salary of the director within the applicable salary range established by the general assembly. The director shall be selected solely on the ability to administer the duties and functions granted to the director and the department and shall devote full time to the duties of the director. If the office of director becomes vacant, the vacancy shall be filled in the same manner as the original appointment was made.

The director of the department ~~of employment-services~~ shall serve as job service commissioner and shall, subject to the requirements of section 84A.1B, prepare, administer, and control the budget of the department and its divisions and shall approve the employment of all personnel of the department and its divisions.

The director shall direct the administrative and compliance functions and control the docket of the division of industrial services.

3. The department shall include ~~the division of job service,~~ the division of labor services, and the division of industrial services, and other divisions as appropriate.

Sec. 9. NEW SECTION. 84A.1A WORKFORCE DEVELOPMENT BOARD.

1. An Iowa workforce development board is created, consisting of nine voting members appointed by the governor and seven ex officio nonvoting members. The ex officio nonvoting members are four legislative members; one president or the president's designee of the university of northern Iowa, the university of Iowa, or Iowa state university of science and technology, designated by the state board of regents on a rotating basis; one representative from the largest statewide public employees' organization representing state employees; and one superintendent or the superintendent's designee of a community college, appointed by

the Iowa association of community college presidents. The legislative members are two state senators, one appointed by the president of the senate, after consultation with the majority leader of the senate, and one appointed by the minority leader of the senate, after consultation with the president of the senate, from their respective parties; and two state representatives, appointed by the speaker after consultation with the majority and minority leaders of the house of representatives from their respective parties. Not more than five of the voting members shall be from the same political party. Of the nine voting members, one member shall represent a nonprofit organization involved in workforce development services, four members shall represent employers, and four members shall represent nonsupervisory employees. Of the members appointed by the governor to represent nonsupervisory employees, two members shall be from statewide labor organizations, one member shall be an employee representative of a labor management council, and one member shall be a person with experience in worker training programs. The governor shall consider recommendations from statewide labor organizations for the members representing nonsupervisory employees. The governor shall appoint the nine voting members of the board for a term of four years beginning and ending as provided by section 69.19, subject to confirmation by the senate, and the governor's appointments shall include persons knowledgeable in the area of workforce development.

2. A vacancy on the board shall be filled in the same manner as regular appointments are made for the unexpired portion of the regular term.

3. The board shall meet in May of each year for the purpose of electing one of its voting members as chairperson and one of its voting members as vice chairperson. However, the chairperson and the vice chairperson shall not be from the same political party. The board shall meet at the call of the chairperson or when any five members of the board file a

written request with the chairperson for a meeting. Written notice of the time and place of each meeting shall be given to each member of the board. A majority of the voting members constitutes a quorum.

4. Members of the board, the director, and other employees of the department shall be allowed their actual and necessary expenses incurred in the performance of their duties. All expenses shall be paid from appropriations for those purposes and the department is subject to the budget requirements of chapter 8. Each member of the board may also be eligible to receive compensation as provided in section 7E.6.

5. If a member of the board has an interest, either direct or indirect, in a contract to which the department is or is to be a party, the interest shall be disclosed to the board in writing and shall be set forth in the minutes of a meeting of the board. The member having the interest shall not participate in action by the board with respect to the contract. This subsection does not limit the right of a member of the board to acquire an interest in bonds, or limit the right of a member to have an interest in a bank or other financial institution in which the funds of the department are deposited or which is acting as trustee or paying agent under a trust indenture to which the department is a party.

Sec. 10. NEW SECTION. 84A.1B DUTIES OF THE WORKFORCE DEVELOPMENT BOARD.

The workforce development board shall do all of the following:

1. Develop and coordinate the implementation of a twenty-year comprehensive workforce development plan of specific goals, objectives, and policies for the state. This plan shall be updated annually and revised as necessary. All other state agencies involved in workforce development activities and the regional advisory boards for workforce development shall annually submit to the board for its review and potential inclusion in the plan their goals, objectives, and policies.

2. Prepare a five-year strategic plan for state workforce development to implement the specific comprehensive goals, objectives, and policies of the state. All other state agencies involved in workforce development activities and the regional advisory boards for workforce development shall annually submit to the board for its review and potential inclusion in the strategic plan their specific strategic plans and programs. The five-year strategic plan for state workforce development shall be updated annually.

3. Develop a method of evaluation of the attainment of goals and objectives from pursuing the policies of the five-year and twenty-year plans.

4. Implement the requirements of chapter 73.

5. Approve the budget of the department related to workforce development as prepared by the director.

6. Establish guidelines, procedures, and policies for the awarding of grants for workforce development services by the department.

7. Review grants or contracts awarded by the department, with respect to the department's adherence to the guidelines and procedures and the impact on the five-year strategic plan for workforce development.

8. Make recommendations concerning the use of federal funds received by the department with respect to the five-year and twenty-year workforce development plans.

9. Adopt all necessary rules related to workforce development recommended by the director prior to their adoption pursuant to chapter 17A.

Sec. 11. NEW SECTION. 84A.1C REGIONAL ADVISORY BOARDS.

1. A regional advisory board shall be established in each service delivery area as defined in section 84B.2. The members of the board shall be appointed by the governor, consistent with the requirements of federal law and in consultation with chief elected officials within the region. Chief elected officials responsible for recommendations for board membership shall include, but are not limited to, county

elected officials, municipal elected officials, and community college trustees. The membership of each board shall provide for equal representation of business and labor and shall include a county elected official, a city official, a representative of a school district, and a representative of a community college.

2. Each regional advisory board shall identify workforce development needs in its region, assist the workforce development board and the department in the awarding of grants or contracts administered by the department in that region and in monitoring the performance of the grants and contracts awarded, make annual reports as required by section 84A.1B, and make recommendations to the workforce development board and department concerning workforce development.

3. Section 84A.1A, subsections 2, 3, and 5, apply to the members of a regional advisory board except that the board shall meet if a majority of the members of the board, and not five, file a written request with the chairperson for a meeting.

Sec. 12. Section 84A.2, Code 1995, is amended to read as follows:

84A.2 ~~DEPARTMENT-AND-DIVISION~~ DEPARTMENT'S PRIMARY RESPONSIBILITIES.

The department of workforce development, in consultation with the workforce development board and the regional advisory boards, has the primary responsibilities set out in this section.

1. The department shall develop and implement a workforce development system which increases the skills of the Iowa workforce, fosters economic growth and the creation of new high skill and high wage jobs through job placement and training services, increases the competitiveness of Iowa businesses by promoting high performance workplaces, and encourages investment in workers.

The workforce development system shall strive to provide high quality services to its customers including workers,

families, and businesses. The department shall maintain a common intake, assessment, and customer tracking system and to the extent practical provide one-stop services to customers at workforce development centers and other service access points.

The system shall include an accountability system to measure program performance, identify accomplishments, evaluate programs to ensure goals and standards are met. The accountability system shall use information obtained from the customer tracking system, the department of economic development, the department of education, and training providers to evaluate the effectiveness of programs. The department of economic development, the department of education, and training providers shall report information concerning the use of any state or federal training or retraining funds to the department of workforce development in a form as required by the department. The accountability system shall evaluate all of the following:

- a. The impact of services on wages earned by individuals.
- b. The effectiveness of training services providers in raising the skills of the Iowa workforce.
- c. The impact of placement and training services on Iowa's families, communities, and economy.

The department shall make information from the customer tracking and accountability system available to the department of economic development, the department of education, and other appropriate public agencies for the purpose of assisting with the evaluation of programs administered by those departments and agencies and for planning and researching public policies relating to education and economic development.

1- 2. The division-of-job-service department is responsible for the administration of unemployment compensation benefits and for-the collection of employer contributions under chapter 96,--The-division-is-responsible for-the-administration-of providing for the delivery of free public employment offices services established pursuant to

chapter 96, other job placement and training programs established pursuant to section 84A.3, and the administration of-the-offices-of-the-division delivery of services located throughout the state and-for-the-personnel-attached-to-these offices. The-executive-head-of-the-division-is-the-job service-commissioner, appointed-pursuant-to-section-96-10-

2- 3. The division of labor services is responsible for the administration of the laws of this state relating to occupational health and safety, the inspection of amusement rides, the removal and encapsulation of asbestos, the inspection of boilers, wage payment collection, registration of construction contractors, the minimum wage, non-English speaking employees, child labor, employment agency licensing, boxing and wrestling, inspection of elevators, and hazardous chemical risks under chapters 88, 88A, 88B, 89, 89A, 89B, 90A, 91, 91A, 91C, 91D, 91E, 92, 94, and 95. The executive head of the division is the labor commissioner, appointed pursuant to section 91.2.

3- 4. The division of industrial services is responsible for the administration of the laws of this state relating to workers' compensation under chapters 85, 85A, 85B, 86, and 87. The executive head of the division is the industrial commissioner, appointed pursuant to section 86.1.

4- 5. The director shall form a coordinating committee composed of the job-service-commissioner director, the labor commissioner, and the industrial commissioner, and other administrators. The committee shall monitor federal compliance issues relating to coordination of functions among the divisions.

6. The department shall administer the following programs:

- a. The Iowa conservation corps established under section 84A.4.
- b. The workforce investment program established under section 84A.5.
- c. The statewide mentoring program established under section 84A.6.

d. The workforce development centers established under chapter 84B.

e. Job training partnership programs under chapter 7B.

7. The department shall work with the department of economic development to incorporate workforce development as a component of community-based economic development.

8. The department, in consultation with the applicable regional advisory board, shall select service providers, subject to approval by the workforce development board for each service delivery area. A service provider in each service delivery area shall be identified to coordinate the services throughout the service delivery area. The department shall select service providers that, to the extent possible, meet or have the ability to meet the following criteria:

a. The capacity to deliver services uniformly throughout the service delivery area.

b. The experience to provide workforce development services.

c. The capacity to cooperate with other public and private agencies and entities in the delivery of education, workforce training, retraining, and workforce development services throughout the service delivery area.

d. The demonstrated capacity to understand and comply with all applicable state and federal laws, rules, ordinances, regulations, and orders, including fiscal requirements.

Sec. 13. Section 84A.3, Code 1995, is amended to read as follows:

84A.3 JOB PLACEMENT AND TRAINING PROGRAMS.

1. ~~The job-service-commissioner, in coordination with the department of economic development, may provide, with or without reimbursement, intake, client eligibility, and a significant portion of job placement services to individuals participating in the job training partnership program established under chapter 7B.~~ The department of employment services workforce development, in consultation with the workforce development board and the regional advisory boards,

the department of education, and the department of economic development shall work together to develop policies encouraging coordination between job-training skill development, labor exchange, and economic development activities.

~~2. The job-service-commissioner, in cooperation with the department of elder affairs, shall establish an experimental retired-Iowan-employment-program. The program shall encourage and promote the meaningful employment of retired citizens of the state.~~

2. The director, in cooperation with the department of human services, shall provide job placement and training to persons referred by the department of human services under the JOBS program established pursuant to chapter 249C and the food stamp employment and training program.

3. The job-service-commissioner director, in cooperation with the department of human rights and the vocational rehabilitation division of the department of education, shall establish a program to provide job placement and training to persons with disabilities.

Sec. 14. NEW SECTION. 84A.4 IOWA CONSERVATION CORPS.

1. DEFINITIONS. As used in this section, unless the context otherwise requires:

a. "Account" means the Iowa conservation corps account.

b. "Corps" means the Iowa conservation corps.

2. IOWA CONSERVATION CORPS ESTABLISHED. The Iowa conservation corps is established in this state to provide meaningful and productive public service jobs for the youth, the unemployed, the disabled, the disadvantaged, and the elderly, and to provide participants with an opportunity to explore careers, gain work experience, and contribute to the general welfare of their communities and the state. The corps shall provide opportunities in the areas of natural resource and wildlife conservation, park maintenance and restoration, land management, energy savings, community improvement projects, tourism, economic development, and work benefiting

human services programs. The department of workforce development shall administer the corps and shall adopt rules governing its operation, eligibility for participation, cash contributions, and implementation of an incentive program.

3. FUNDING. Corps projects shall be funded by appropriations to the Iowa conservation corps account and by cash, services, and material contributions made by other state agencies or local public and private agencies. Public and private entities who benefit from a corps project shall contribute at least thirty-five percent of the total project budget. The contributions may be in the form of cash, materials, or services. Materials and services shall be intended for the project and acceptable to the department. Minimum levels of contributions shall be prescribed in rules adopted by the department.

4. ACCOUNT CREATED. The Iowa conservation corps account is established within and administered by the department. The account shall include all appropriations made to programs administered by the corps, and may also include moneys contributed by a private individual or organization, or a public entity for the purpose of implementing corps programs and projects. The department may establish an escrow account within the department and obligate moneys within that escrow account for tuition payments to be made beyond the term of any fiscal year. Interest earned on moneys in the Iowa conservation corps account shall be credited to the account.

Sec. 15. NEW SECTION. 84A.5 WORKFORCE INVESTMENT PROGRAM.

A workforce investment program is established to enable more Iowans to enter or reenter the workforce. The workforce investment program shall provide training and support services to population groups that have historically faced barriers to employment. The department of workforce development shall administer the workforce investment program and shall adopt rules governing its operation and eligibility guidelines for participation.

Sec. 16. NEW SECTION. 84A.6 STATEWIDE MENTORING PROGRAM.

A statewide mentoring program is established to recruit, screen, train, and match individuals in a mentoring relationship. The department of workforce development shall administer the program in collaboration with the departments of human services, education, and human rights. The availability of the program is subject to the funding appropriated for the purposes of the program.

Sec. 17. Section 84B.1, unnumbered paragraph 1, Code 1995, is amended to read as follows:

The departments department of employment-services-and economic workforce development, in consultation with the departments of economic development, education, elder affairs, human services, and human rights, and the department for the blind, shall establish guidelines for collocating state and federal employment and training programs in centers providing services at the local level. The centers shall be known as workforce development centers. The departments shall also jointly establish an integrated management information system for linking the programs within a local center to the same programs within other local centers and to the state. The guidelines shall provide for local design and operation within the guidelines. The core services available at a center shall include but are not limited to all of the following:

Sec. 18. NEW SECTION. 84B.2 WORKFORCE DEVELOPMENT CENTERS -- LOCATION.

A workforce development center, as provided in section 84B.1, shall be located in each service delivery area. Each workforce development center shall also maintain a presence, through satellite offices or electronic means, in each county located within that service delivery area. For purposes of this section, "service delivery area" means the area included within a merged area, as defined in section 260C.2, realigned to the closest county border as determined by the department of workforce development. However, if the state workforce development board determines that an area of the state would be adversely affected by the designation of the service

delivery areas by the department, the department may, after consultation with the applicable regional advisory boards and with the approval of the state workforce development board, make accommodations in determining the service delivery areas, including, but not limited to, the creation of a new service delivery area. In no event shall the department create more than sixteen service delivery areas.

Sec. 19. Section 96.12, subsection 1, Code 1995, is amended to read as follows:

1. DUTIES OF DIVISION DEPARTMENT. The division-of-job service department shall establish and maintain free public employment ~~offices-in-such-number-and-in-such-places-as-may-be necessary-for-the-proper-administration-of-this-chapter services accessible to all Iowans for the purposes of this chapter,~~ and for the purpose of performing such the duties as are within the purview of the Act of Congress entitled "An Act to provide for the establishment of a national employment system and for co-operation with the states in the promotion of such system, and for other purposes", approved June 6, 1933, as amended, and known as required by federal and state laws relating to employment and training including the Wagner-Peyser Act, [48 Stat. L. 1137, 29 U.S.C. § 49]. All duties and powers conferred upon any other department, agency, or officer of this state relating to the establishment, maintenance, and operation of free employment offices services shall be vested in the division department. The This state accepts and shall comply with the provisions of the said Wagner-Peyser Act of Congress, as amended, are hereby accepted by this state, in conformity with section 4 of said Act, and this state will observe and comply with the requirements thereof. The division department is designated and constituted the agency of this state for the purpose of said the Wagner-Peyser Act. The division department may co-operate cooperate with the railroad retirement board with respect to the establishment, maintenance, and use of employment-service department facilities. The railroad retirement board shall

compensate the division department for such the services or facilities in the amount determined by the division department to be fair and reasonable.

Sec. 20. Section 96.19, subsection 7, Code Supplement 1995, is amended by striking the subsection.

Sec. 21. Section 96.19, Code Supplement 1995, is amended by adding the following new subsection:

NEW SUBSECTION. 11A. "Director" means the director of the department of workforce development created in section 84A.1.

Sec. 22. Section 96.19, subsection 12, Code Supplement 1995, is amended by striking the subsection.

Sec. 23. AMENDMENTS CHANGING TERMINOLOGY -- DIRECTIVE TO CODE EDITOR.

1. Sections 7B.2, 7B.5, 7E.5, 8.36, 11.5B, 13.7, 15.108, 15.241, 15E.111, 30.2, 30.5, 30.7, 68B.2, 85.31, 85.34, 85.37, 85.59, 86.8, 86.9, 88.2, 88A.1, 88B.1, 89A.1, 89B.3, 91.1, 91.4, 91C.2, 91C.7, 91C.8, 91E.1, 91E.2, 92.11, 92.12, 231.51, 231.52, 231.53, 239A.1, 239A.2, 239A.3, 241.3, 249C.3, 249C.14, 252B.7A, 252G.2, 260F.3, 260F.7, 626.29, and 912.3, Code 1995, are amended by striking from the sections the words "department of employment services" and inserting in lieu thereof the words "department of workforce development".

2. Sections 96.3, 96.19, 225C.4, 256.38, 256.39, 279.51, 331.602, 331.653, 331.756, and 422.7, Code Supplement 1995, are amended by striking from the sections the words "department of employment services" and inserting in lieu thereof the words "department of workforce development".

3. Sections 96.4, 96.9, 96.11, and 96.14, Code 1995, are amended by striking from the sections the word "commissioner" and inserting in lieu thereof the word "director".

4. Sections 96.3 and 96.6, Code Supplement 1995, are amended by striking from the sections the word "commissioner" and inserting in lieu thereof the word "director".

5. The Code editor is directed to substitute the words "department of workforce development" for the words "department of employment services" when there appears to be

no doubt as to the intent to refer to the department of employment services.

6. The Code editor is directed to substitute the words "director of the department of workforce development" for the words "job service commissioner" elsewhere in the Code.

7. The Code editor is directed to substitute the word "department" for the word "division" or "division of job service" or "division of job service of the department of employment services", in chapter 96, when there appears to be no doubt as to the intent, to refer to the "division of job service".

8. The Code editor is directed to substitute the words "department of workforce development" for the words "division of job service", or "division of job service of the department of employment services", except for chapter 96, elsewhere in the Code.

Sec. 24. In designing the local, regional, and state service delivery system for Iowa, the director of the department of workforce development shall minimize administrative costs, encourage federal, state, and local government collaboration, maximize the use of public and private resources, and provide opportunities to respond to locally determined needs and priorities while ensuring equal access to core or common employment and training services, as defined by federal law and regulation.

Sec. 25. Any personnel who are mandatorily transferred due to the effect of this Act shall be so transferred without any loss in salary, benefits, or accrued years of service.

The department of workforce development shall consult with all noncontract covered employees, or in the case of contract covered employees, the exclusive bargaining representative for those employees, concerning job classification plans or other job-related matters pertaining to the department.

Sec. 26. REPEALS.

1. Sections 15.224 through 15.230, section 96.10, and section 239.22, Code 1995, are repealed.

2. Sections 15.347 and 15.348, Code Supplement 1995, are repealed.

---

LEONARD L. BOSWELL  
President of the Senate

---

RON J. CORBETT  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2409, Seventy-sixth General Assembly.

---

JOHN F. DWYER  
Secretary of the Senate

Approved 5/2, 1996

---

TERRY E. BRANSTAD  
Governor