

SENATE FILE 2414

BY BORLAUG, ZIEMAN, LUNDBY, SCHUERER,  
JENSEN, RITTMER, BARTZ, FREEMAN,  
REHBERG, ANGELO, RENSINK, KING,  
BOETTGER, BEHN, REDFERN, MADDOX,  
DRAKE, HEDGE, DOUGLAS, REDWINE,  
McKEAN, GASKILL, TINSMAN, McKIBBEN,  
KRAMER, and RIFE

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

A BILL FOR

1 An Act relating to a workforce recruitment initiative and  
2 providing an effective date.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. FINDINGS. The general assembly finds that  
2 growing levels of employment coupled with historically low  
3 levels of unemployment are evidence of increasing scarcity of  
4 skilled workers. Limited access to a skilled workforce is  
5 preventing Iowa companies from increasing employment and  
6 production, and is a barrier to sustained and stable economic  
7 growth.

8 Further, the general assembly finds that in order to  
9 increase the size of the workforce, a partnership of private  
10 sector employers, communities and public sector organizations  
11 should be formed to develop and implement a workforce  
12 recruitment initiative. The initiative is intended to include  
13 strategies for recruiting new workers that will meet the  
14 workforce needs of Iowa employers who are unable to fill high  
15 quality jobs.

16 Sec. 2. WORKFORCE RECRUITMENT INITIATIVE. The general  
17 assembly finds an immediate need for the establishment of a  
18 workforce recruitment initiative with projects intended to  
19 retain and recruit new skilled and unskilled employees to fill  
20 the needs of both communities and businesses. The department  
21 of economic development and the department of workforce  
22 development shall enter into a cooperative memorandum of  
23 understanding to accomplish purposes of this initiative. The  
24 memorandum shall include, but not be limited to, provisions  
25 for the sharing and utilization of databases and technology to  
26 accomplish the purposes of the initiative and for an  
27 allocation out of moneys appropriated to the department of  
28 economic development for purposes of the workforce recruitment  
29 initiative for payment of employee salaries related to the  
30 workforce recruitment initiative.

31 Sec. 3. STATE AGENCY COOPERATION. The department of  
32 economic development and the department of workforce  
33 development shall seek and obtain the cooperation of any state  
34 agency deemed necessary to accomplish the workforce  
35 recruitment initiative.

1     Sec. 4. For purposes of the workforce recruitment  
2 initiative, the department of workforce development shall  
3 increase the number of full-time equivalent positions  
4 authorized for the department during the fiscal year beginning  
5 July 1, 1998, by 2.00 FTEs through moneys authorized for  
6 expenditure in this Act and allocated pursuant to the  
7 cooperative memorandum of understanding entered into with the  
8 department of economic development as provided in section 2.

9     Sec. 5. APPROPRIATION. There is appropriated from the  
10 general fund of the state to the department of economic  
11 development for the fiscal year beginning July 1, 1998, and  
12 ending June 30, 1999, the following amount, or so much thereof  
13 as is necessary, to be used for the purposes designated:

14     For workforce recruitment initiative purposes including  
15 technical support and maintenance of databases and an internet  
16 web site, for a joint proposal of the department of economic  
17 development and the department of workforce development  
18 relating to the workforce recruitment initiative which shall  
19 include provisions for private sector contributions, and  
20 including salaries, support, maintenance, miscellaneous  
21 purposes, and for not more than the following full-time  
22 equivalent positions:

23 .....	\$	300,000
24 .....	FTEs	3.00

25     Notwithstanding section 8.33, moneys appropriated in this  
26 section which remain unexpended or unobligated on June 30,  
27 1999, shall not revert to the general fund of the state but  
28 shall remain available for expenditure in the fiscal year  
29 beginning July 1, 1999, for the purposes designated.

30     Sec. 6. There is allocated from the reversion technology  
31 initiatives account, subject to the creation of this account  
32 by the general assembly, to the department of economic  
33 development for the fiscal year beginning July 1, 1998, and  
34 ending June 30, 1999, \$150,000 to be used for the purchase of  
35 equipment, software, laptop computers, and other necessary

1 technological equipment. Moneys allocated from the reversion  
2 technology initiatives account pursuant to this section shall  
3 be allocated prior to any other allocation required by law.

4 Sec. 7. The business development division of the  
5 department of economic development may expend from moneys  
6 appropriated to the department and allocated to the business  
7 development division, for business development operations, up  
8 to \$400,000 for increasing the labor availability and  
9 recruitment efforts in the state in all occupational areas and  
10 as deemed necessary.

11 Sec. 8. EFFECTIVE DATE. This Act, being deemed of  
12 immediate importance, takes effect upon enactment.

13 EXPLANATION

14 This bill provides that the department of economic  
15 development and the department of workforce development shall  
16 enter into a cooperative memorandum of understanding to  
17 accomplish purposes of a workforce recruitment initiative with  
18 projects intended to retain and recruit new skilled and  
19 unskilled employees in the state to fill the needs of both  
20 communities and businesses. The memorandum shall include  
21 provisions for the sharing and utilization of databases and  
22 technology to accomplish the purposes of the initiative and  
23 for the payment of employee salaries related to the workforce  
24 recruitment initiative. The bill requires both departments to  
25 seek and obtain the cooperation of any state agency deemed  
26 necessary to accomplish the initiative.

27 The bill appropriates \$300,000 from the general fund of the  
28 state to the department of economic development for workforce  
29 recruitment initiative purposes including technical support  
30 and maintenance of databases and an internet web site and  
31 authorizes an additional 2.00 FTEs by the department of  
32 workforce development for workforce recruitment initiative  
33 purposes. Unexpended or unobligated moneys remaining at the  
34 end of the fiscal year ending June 30, 1999, shall not revert  
35 to the general fund of the state.

1 The bill allocates from the reversion technology  
2 initiatives account, subject to creation of the account by the  
3 general assembly, to the department of economic development  
4 for the fiscal year beginning July 1, 1998, and ending June  
5 30, 1999, \$150,000 to be used for the purchase of equipment,  
6 software, laptop computers, and other necessary technological  
7 equipment.

8 The bill provides for the expenditure of \$400,000 by the  
9 business development division of the department of economic  
10 development from moneys appropriated to the department for  
11 increasing the labor availability and recruitment efforts in  
12 the state in all occupational areas and as deemed necessary.

13 The bill takes effect upon enactment.

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## SENATE FILE 2414

S-5553

1 Amend Senate File 2414 as follows:

2 1. Page 1, line 15, by inserting after the word  
3 "jobs." the following: "A second facet of the  
4 workforce recruitment initiative shall include the  
5 creation of a certified school to career program  
6 within the department of workforce development  
7 designed to enable individuals to learn new skills  
8 through employment, job training, and classroom  
9 instruction by being employed during the summer months  
10 after their junior and senior years in high school and  
11 after their first year of postsecondary education.  
12 The program shall provide for refunds for certain  
13 wages paid to and amounts held in trust for  
14 individuals in the program and requirements that  
15 certain wages and benefits be provided.

16 Sec. 101. NEW SECTION. 15.361 TITLE.

17 This part shall be known and may be cited as the  
18 "Certified School to Career Program".

19 Sec. 102. NEW SECTION. 15.362 DEFINITIONS.

20 As used in this part, unless the context otherwise  
21 requires:

22 1. "Certified school to career program" or  
23 "certified program" means a secondary and  
24 postsecondary program registered as an apprenticeship  
25 program under 29 C.F.R. subtit. A, pt. 29, which is  
26 conducted pursuant to an agreement as provided in  
27 section 15.364 or a program certified by the state  
28 board of education, in conjunction with the department  
29 of workforce development, as meeting the standards  
30 enumerated in section 15.363, that integrates a  
31 secondary school curriculum with private sector job  
32 training which places students in job internships, and  
33 which is designed to continue into postsecondary  
34 education and that will result in teaching new skills  
35 and adding value to the wage-earning potential of  
36 participants and increase their long-term  
37 employability in the state and which is conducted  
38 pursuant to an agreement as provided in section  
39 15.364.

40 2. "Payroll expenditures" means the base wages  
41 actually paid by an employer to a participant plus the  
42 amount held in trust to be applied toward the  
43 participant's postsecondary education.

44 3. "Participant" means an individual between the  
45 ages of sixteen and twenty-four who is enrolled in a  
46 public or private secondary or postsecondary school  
47 and who initiated participation in a certified school  
48 to career program as part of secondary school  
49 education.

50 4. "Sponsor" means any person, association,

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1 committee, or organization operating a school to  
2 career program and in whose name the program is or  
3 will be registered or certified.

4 Sec. 103. NEW SECTION. 15.363 CERTIFICATION  
5 STANDARDS.

6 A school to career program which is certified by  
7 the state board of education in conjunction with the  
8 department of workforce development shall comply with  
9 all of the following standards:

10 1. The program is conducted pursuant to an  
11 organized, written plan embodying the terms and  
12 conditions of employment, job training, classroom  
13 instruction, and supervision of one or more  
14 participants, subscribed to by a sponsor who has  
15 undertaken to carry out the school to career program.

16 2. The program complies with all state and federal  
17 laws pertaining to the workplace.

18 3. The employer agrees to assign an employee to  
19 serve as a mentor for the participant.

20 Sec. 104. NEW SECTION. 15.364 CERTIFIED PROGRAM  
21 AGREEMENT.

22 The certified program shall be conducted pursuant  
23 to a signed written agreement between each participant  
24 and the employer and contains at least the following  
25 provisions:

26 1. The names and signatures of the participant and  
27 the sponsor or employer and the signature of a parent  
28 or guardian if the participant is a minor.

29 2. A description of the career field in which the  
30 participant is to be trained, and the beginning date  
31 and duration of the training.

32 3. The employer's agreement to provide paid  
33 employment, at a base wage, for the participant during  
34 the summer months after the participant's junior and  
35 senior years in high school and after the  
36 participant's first year of postsecondary education.

37 4. This base wage paid to the participant shall  
38 not be less than the minimum wage prescribed by Iowa  
39 law or the federal Fair Labor Standards Act, whichever  
40 is applicable.

41 5. That in addition to the base wage paid to the  
42 participant, the employer shall pay an additional sum  
43 to be held in trust to be applied toward the  
44 participant's postsecondary education required for  
45 completion of the certified program. The additional  
46 amount must be not less than an amount determined by  
47 the department of workforce development to be  
48 sufficient to provide payment of tuition expenses  
49 toward completion of not more than two academic years  
50 of the required postsecondary education component of

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1 the certified program at an Iowa community college or  
2 a public or private college or university. This  
3 amount shall be held in trust for the benefit of the  
4 participant pursuant to rules promulgated by the  
5 department of workforce development. Payment into an  
6 ERISA-approved fund for the benefit of the participant  
7 shall satisfy this requirement. The specific fund  
8 shall be specified in the agreement.

9 6. The participant's agreement to work for the  
10 employer for at least two years following the  
11 completion of the participant's postsecondary  
12 education required by the certified program and the  
13 employer's agreement to both of the following:

14 a. To provide and pay at least eighty percent of  
15 the cost of a standard medical and dental insurance  
16 plan for the participant.

17 b. To pay a full-time hourly wage to the  
18 participant of at least eleven dollars per hour  
19 indexed to 1998 dollars based on the gross national  
20 product implicit price deflator published by the  
21 bureau of economic analysis of the United States  
22 department of commerce or one hundred thirty percent  
23 of the average wage in the county in which the  
24 facility where the participant will be employed is  
25 located, whichever is higher.

26 However, the agreement may provide for additional  
27 education and work commitments beyond the two years.

28 7. If the participant does not complete the two-  
29 year employment obligation, the participant's  
30 agreement to repay to the employer the amount paid by  
31 the employer toward the participant's postsecondary  
32 education expenses pursuant to subsection 5.

33 8. That if a participant does not complete the  
34 certified program contemplated by the agreement, any  
35 unexpended funds being held in trust for the  
36 participant's postsecondary education shall be paid  
37 back to the employer. In addition the participant  
38 must repay to the employer amounts paid from the trust  
39 which were expended on the participant's behalf for  
40 postsecondary education.

41 Sec. 105. NEW SECTION. 15.365 PAYROLL  
42 EXPENDITURE REFUND.

43 1. An employer who employs a participant in a  
44 certified school to career program may claim a refund  
45 of twenty percent of the employer's payroll  
46 expenditures for each participant in the certified  
47 program. The refund is limited to the first four  
48 hundred hours of payroll expenditures per participant  
49 for each calendar year, not to exceed three years per  
50 participant, the participant is in the certified

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1 program.  
 2 2. To receive a refund under subsection 1 for a  
 3 calendar year, the employer shall file the claim by  
 4 July 1 of the following calendar year. The claim  
 5 shall be filed on forms provided by the department of  
 6 workforce development and the employer shall provide  
 7 such information regarding the employer's  
 8 participation in a certified school to career program  
 9 as the department may require. Forms should be  
 10 designed such that claims for refunds for more than  
 11 one participant may be made on a single form. A valid  
 12 claim shall be paid with interest, the interest to  
 13 begin to accrue on the first day of the second  
 14 calendar month following the date the claim for refund  
 15 was to be filed or was filed, whichever is the latest,  
 16 at the rate in effect under section 421.7 counting  
 17 each fraction of a month as an entire month under  
 18 rules prescribed by the department.

19 3. For the fiscal year beginning July 1, 2000, and  
 20 for each subsequent fiscal year, there is appropriated  
 21 annually from the general fund of the state to the  
 22 department of workforce development an amount  
 23 sufficient to pay refunds as received under this  
 24 section.

25 4. The department of workforce development shall  
 26 consult with the department of revenue and finance for  
 27 purposes of this section. The department of workforce  
 28 development shall adopt rules as deemed necessary to  
 29 carry out the purposes of the certified school to  
 30 career program."

31 2. Page 3, line 11, by inserting after the word  
 32 "DATE" the following: "AND APPLICABILITY".

33 3. Page 3, line 12, by inserting after the word  
 34 "enactment" the following: ", and sections 101  
 35 through 105 of this Act apply retroactively to all  
 36 calendar years ending after the date of enactment".

37 4. By renumbering and correcting internal  
 38 references as necessary.

By TOM VILSACK  
 JOHN P. KIBBIE  
 PATTY JUDGE  
 ROBERT E. DVORSKY  
 STEVEN D. HANSEN

MICHAEL E. GRONSTAL  
 ROD HALVORSON  
 WALLY E. HORN  
 BILL FINK  
 DENNIS H. BLACK

S-5553 FILED APRIL 7, 1998

*O/ order*  
*4/13/98*  
*(p.1196)*

SENATE FILE 2414

S-5615

1 Amend Senate File 2414 as follows:

2 1. Page 1, line 25, by inserting after the words  
3 "utilization of" the following: "job matching".

4 2. Page 1, by striking line 34 and inserting the  
5 following: "agency that could provide employee  
6 recruitment and marketing assistance to accomplish the  
7 workforce".

8 3. By renumbering as necessary.

By JOHNIE HAMMOND

ALLEN BORLAUG

ROBERT E. DVORSKY

W/D 4/14/98 (p. 1232)

S-5615 FILED APRIL 9, 1998

SENATE FILE 2414

S-5606

1 Amend Senate File 2414 as follows:

2 1. Page 2, line 30, by striking the words  
3 "reversion technology" and inserting the following:

4 "Iowa strategic investment fund".

5 2. Page 2, by striking line 31.

6 3. Page 2, line 32, by striking the words "by the  
7 general assembly,".

8 4. Page 3, by striking lines 1 through 3 and  
9 inserting the following: "technological equipment."

By ALLEN BORLAUG

S-5606 FILED APRIL 9, 1998

## SENATE FILE 2414

S-5619

1 Amend Senate File 2414 as follows:

2 1. Page 3, by inserting after line 10 the  
3 following:

4 "Sec. \_\_\_\_ . NEW SECTION. 261.56 RETAINING OUR  
5 ACHIEVERS LOAN PROGRAM.

6 1. A retaining our achievers loan program is  
7 established to be administered by the college student  
8 aid commission as provided in this section. The  
9 purpose of the loan program is to increase the number  
10 of Iowans who remain residents of this state upon  
11 graduation from an accredited postsecondary  
12 institution in Iowa.

13 2. An individual is eligible for the program if  
14 the individual meets all of the following conditions:

15 a. Is a resident of this state who is accepted for  
16 enrollment in an academic or vocational-technical  
17 program at an institution of higher learning under the  
18 control of the state board of regents, a community  
19 college, or an accredited private institution as  
20 defined in section 261.9.

21 b. Has filed an application with the commission  
22 using procedures specified in section 261.16.

23 c. Agrees to remain a resident of Iowa for at  
24 least one year after attaining a certificate, diploma,  
25 or undergraduate degree as provided in this section,  
26 for each year the individual received a loan.

27 3. The annual amount of a loan to a qualified  
28 student shall be the amount of the student's financial  
29 need for that period, but shall not exceed the  
30 resident tuition rate established for institutions of  
31 higher learning under the control of the state board  
32 of regents. Loans for full-time students shall be  
33 granted for not more than five years, and for part-  
34 time students shall be granted for not more than ten  
35 years.

36 4. The commission shall adopt rules under chapter  
37 17A to administer the program. The commission shall  
38 set a final date for submission of applications each  
39 year and shall review the applications and inform the  
40 recipients within a reasonable time after the  
41 deadline.

42 Sec. \_\_\_\_ . NEW SECTION. 261.57 PAYMENT OF  
43 RETAINING OUR ACHIEVERS LOAN -- FUND.

44 1. Payment of a loan made under the retaining our  
45 achievers loan program under section 261.56 shall  
46 begin one year after a recipient completes the  
47 academic or vocational-technical program for which  
48 tuition and fees were received except as otherwise  
49 provided in this section.

50 2. If the recipient was a full-time student and

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1 submits evidence to the commission that the recipient  
2 was a resident of this state during the year following  
3 the completion of the academic or vocational-technical  
4 program and the achievement of a certificate, diploma,  
5 or degree as provided in this section, the commission  
6 shall cancel the loan amount the recipient accumulated  
7 under the loan program in the first year in which the  
8 recipient received a loan from the commission. For  
9 each succeeding year in which the recipient certifies  
10 residency to the commission, the commission shall  
11 cancel one year of the loan amount.

12 3. If the recipient was a full-time student and  
13 submits evidence to the commission that the recipient  
14 was a resident of the state during the second  
15 succeeding year following completion of the academic  
16 or vocational-technical program and the achievement of  
17 a certificate, diploma, or degree as provided in this  
18 section, the commission shall cancel the loan amount  
19 the recipient accumulated under the loan program in  
20 the second year in which the recipient received a loan  
21 from the commission. For each succeeding year in  
22 which the recipient certifies residency to the  
23 commission, the commission shall cancel one year of  
24 the loan amount, or the remainder of the loan amount,  
25 whichever is less.

26 4. If the recipient was a full-time student and  
27 submits evidence to the commission that the recipient  
28 was a resident of the state during the third  
29 succeeding year following completion of the academic  
30 or vocational-technical program and the achievement of  
31 a certificate, diploma, or degree as provided in this  
32 section, the commission shall cancel the loan amount  
33 the recipient accumulated under the loan program in  
34 the third year in which the recipient received a loan  
35 from the commission. For each succeeding year in  
36 which the recipient certifies residency to the  
37 commission, the commission shall cancel one year of  
38 the loan amount, or the remainder of the loan amount,  
39 whichever is less.

40 5. If the recipient was a full-time student and  
41 submits evidence to the commission that the recipient  
42 was a resident of the state during the fourth  
43 succeeding year following completion of the academic  
44 or vocational-technical program and the achievement of  
45 a certificate, diploma, or degree as provided in this  
46 section, the commission shall cancel the loan amount  
47 the recipient accumulated under the loan program in  
48 the fourth year in which the recipient received a loan  
49 from the commission. For each succeeding year in  
50 which the recipient certifies residency to the

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1 commission, the commission shall cancel one year of  
 2 the loan amount, or the remainder of the loan amount,  
 3 whichever is less.

4 6. If the recipient was a full-time student and  
 5 submits evidence to the commission that the recipient  
 6 was a resident of the state during the fifth  
 7 succeeding year following completion of the academic  
 8 or vocational-technical program and the achievement of  
 9 a certificate, diploma, or degree as provided in this  
 10 section, the commission shall cancel the loan amount  
 11 the recipient accumulated under the loan program in  
 12 the fifth year in which the recipient received a loan  
 13 from the commission. For each succeeding year in  
 14 which the recipient certifies residency to the  
 15 commission, the commission shall cancel one year of  
 16 the loan amount, or the remainder of the loan amount,  
 17 whichever is less.

18 7. The commission shall determine a loan  
 19 cancellation timetable for part-time students  
 20 equivalent to the timetable described for full-time  
 21 students under this section.

22 8. There is created a retaining our achievers loan  
 23 payment fund for deposit of payments made by  
 24 recipients. Payments made by recipients of the loans  
 25 shall be used to supplement moneys appropriated to the  
 26 guaranteed loan payment program. Any funds remaining  
 27 on June 30 of a fiscal year shall be transferred from  
 28 the fund created in this section to the general fund  
 29 of the state.

30 9. The interest rate collected on a retaining our  
 31 achievers loan shall be equal to the interest rate  
 32 being collected by an eligible lender under the  
 33 guaranteed loan payment program.

34 10. The commission shall prescribe by rule the  
 35 terms of repayment."

By MICHAEL E. GRONSTAL

S-5619 FILED APRIL 13, 1998

SENATE FILE 2414

S-5620

1 Amend Senate File 2414 as follows:

2 1. Page 1, line 25, by inserting after the words  
 3 "utilization of" the following: "job matching".

4 2. Page 1, by striking line 34 and inserting the  
 5 following: "agency and local economic development  
 6 organization actively involved in workforce  
 7 development initiatives which could provide employee  
 8 recruitment and marketing assistance to accomplish the  
 9 workforce".

By ROBERT E. DVORSKY  
 JOHNIE HAMMOND

TOM FLYNN  
 ALLEN BORLAUG

S-5620 FILED APRIL 13, 1998

*adopted 4/14/98 - motion to R/c by Borlaug 4/15/98*  
 (P. 1233)

## SENATE FILE 2414

S-5622

1 Amend Senate File 2414 as follows:

2 1. Page 3, by inserting after line 10 the  
3 following:

4 "Sec. \_\_\_\_ . NEW SECTION. 15.361 TITLE.

5 This part shall be known and may be cited as the  
6 "Certified School to Career Program".

7 Sec. \_\_\_\_ . NEW SECTION. 15.362 DEFINITIONS.

8 As used in this part, unless the context otherwise  
9 requires:

10 1. "Certified school to career program" or  
11 "certified program" means a sequenced and articulated  
12 secondary and postsecondary program registered as an  
13 apprenticeship program under 29 C.F.R. subtit. A, pt.  
14 29, which is conducted pursuant to an agreement as  
15 provided in section 15.364 or a program approved by  
16 the state board of education, in conjunction with the  
17 department of economic development, as meeting the  
18 standards enumerated in section 15.363, that  
19 integrates a secondary school curriculum with private  
20 sector job training which places students in job  
21 internships, and which is designed to continue into  
22 postsecondary education and that will result in  
23 teaching new skills and adding value to the wage-  
24 earning potential of participants and increase their  
25 long-term employability in the state and which is  
26 conducted pursuant to an agreement as provided in  
27 section 15.364.

28 2. "Participant" means an individual between the  
29 ages of sixteen and twenty-four who is enrolled in a  
30 public or private secondary or postsecondary school  
31 and who initiated participation in a certified school  
32 to career program as part of secondary school  
33 education.

34 3. "Payroll expenditures" means the base wages  
35 actually paid by an employer to a participant plus the  
36 amount held in trust to be applied toward the  
37 participant's postsecondary education.

38 4. "Sponsor" means any person, association,  
39 committee, or organization operating a school to  
40 career program and in whose name the program is or  
41 will be registered or approved.

42 Sec. \_\_\_\_ . NEW SECTION. 15.363 CERTIFICATION  
43 STANDARDS.

44 The state board of education, in consultation with  
45 the department of economic development, shall adopt  
46 rules pursuant to chapter 17A to guide the board and  
47 department in determining whether a potential school  
48 to career program should be approved.

49 A school to career program which is approved by the  
50 state board of education in conjunction with the

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1 department of economic development shall comply with  
2 all of the following standards:

3 1. The program is conducted pursuant to an  
4 organized, written plan embodying the terms and  
5 conditions of employment, job training, classroom  
6 instruction, and supervision of one or more  
7 participants, subscribed to by a sponsor who has  
8 undertaken to carry out the school to career program.

9 2. The program complies with all state and federal  
10 laws pertaining to the workplace.

11 3. The employer agrees to assign an employee to  
12 serve as a mentor for a participant. The mentor's  
13 occupation shall be in the same career pathway as the  
14 career interests of the participant.

15 4. The program involves an eligible postsecondary  
16 institution as defined in section 261C.3.

17 5. Other standards adopted by rule by the state  
18 board of education after consultation with the  
19 department of economic development.

20 Sec. \_\_\_\_ . NEW SECTION. 15.364 CERTIFIED PROGRAM  
21 AGREEMENT.

22 The certified program shall be conducted pursuant  
23 to a signed written agreement between each participant  
24 and the employer which contains at least the following  
25 provisions:

26 1. The names and signatures of the participant and  
27 the sponsor or employer and the signature of a parent  
28 or guardian if the participant is a minor.

29 2. A description of the career field in which the  
30 participant is to be trained, and the beginning date  
31 and duration of the training.

32 3. The employer's agreement to provide paid  
33 employment, at a base wage, for the participant during  
34 the summer months after the participant's junior and  
35 senior years in high school and after the  
36 participant's first year of postsecondary education.

37 4. The participant and employer shall agree upon  
38 set minimum academic standards which must be  
39 maintained through the participant's secondary and  
40 postsecondary education.

41 5. This base wage paid to the participant shall  
42 not be less than the minimum wage prescribed by Iowa  
43 law or the federal Fair Labor Standards Act, whichever  
44 is applicable.

45 6. That in addition to the base wage paid to the  
46 participant, the employer shall pay an additional sum  
47 to be held in trust to be applied toward the  
48 participant's postsecondary education required for  
49 completion of the certified program. The additional  
50 amount must be not less than an amount determined by

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1 the department of economic development to be  
2 sufficient to provide payment of tuition expenses  
3 toward completion of not more than two academic years  
4 of the required postsecondary education component of  
5 the certified program at an Iowa community college or  
6 an Iowa public or private college or university. This  
7 amount shall be held in trust for the benefit of the  
8 participant pursuant to rules adopted by the  
9 department of economic development. Payment into an  
10 ERISA-approved fund for the benefit of the participant  
11 shall satisfy this requirement. The specific fund  
12 shall be specified in the agreement.

13 7. The participant's agreement to work for the  
14 employer for at least two years following the  
15 completion of the participant's postsecondary  
16 education required by the certified program and the  
17 employer's agreement to both of the following:

18 a. To provide and pay at least eighty percent of  
19 the cost of a standard medical and dental insurance  
20 plan for the participant.

21 b. To pay a full-time hourly wage to the  
22 participant of at least eleven dollars per hour  
23 indexed to 1998 dollars based on the gross national  
24 product implicit price deflator published by the  
25 bureau of economic analysis of the United States  
26 department of commerce or one hundred thirty percent  
27 of the average wage in the county in which the  
28 facility where the participant will be employed is  
29 located, whichever is higher.

30 However, the agreement may provide for additional  
31 education and work commitments beyond the two years.

32 8. If the participant does not complete the two-  
33 year employment obligation, the participant's  
34 agreement to repay to the employer the amount paid by  
35 the employer toward the participant's postsecondary  
36 education expenses pursuant to subsection 6.

37 9. That if a participant does not complete the  
38 certified program contemplated by the agreement, any  
39 unexpended funds being held in trust for the  
40 participant's postsecondary education shall be paid  
41 back to the employer. In addition the participant  
42 must repay to the employer amounts paid from the trust  
43 which were expended on the participant's behalf for  
44 postsecondary education.

45 Sec. \_\_\_\_ . NEW SECTION. 15.365 PAYROLL  
46 EXPENDITURE REFUND.

47 1. An employer who employs a participant in a  
48 certified school to career program may claim a refund  
49 of twenty percent of the employer's payroll  
50 expenditures for each participant in the certified

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1 program. The refund is limited to the first four  
2 hundred hours of payroll expenditures per participant  
3 for each calendar year the participant is in the  
4 certified program, not to exceed three years per  
5 participant.

6 2. To receive a refund under subsection 1 for a  
7 calendar year, the employer shall file the claim by  
8 July 1 of the following calendar year. The claim  
9 shall be filed on forms provided by the department of  
10 economic development and the employer shall provide  
11 such information regarding the employer's  
12 participation in a certified school to career program  
13 as the department may require. Forms should be  
14 designed such that claims for refunds for more than  
15 one participant may be made on a single form. A valid  
16 claim shall be paid with interest, the interest to  
17 begin to accrue on the first day of the second  
18 calendar month following the date the claim for refund  
19 was to be filed or was filed, whichever is the latest,  
20 at the rate in effect under section 421.7 counting  
21 each fraction of a month as an entire month under  
22 rules prescribed by the department.

23 3. For each fiscal year of the fiscal period  
24 beginning July 1, 1999, and ending June 30, 2004,  
25 there is appropriated annually from the general fund  
26 of the state to the department of economic development  
27 an amount sufficient to pay refunds under this  
28 section.

29 4. The department of economic development shall  
30 consult with the department of revenue and finance for  
31 purposes of this section. The department of economic  
32 development shall adopt rules as deemed necessary to  
33 carry out the purposes of the certified school to  
34 career program.

35 Sec. \_\_\_\_ . NEW SECTION. 15.366 REPEAL.

36 This part of chapter 15 is repealed June 30, 2004.  
37 However, any contracts in existence on June 30, 2004,  
38 shall continue to be valid and each party to such  
39 contract is obligated to perform as required under  
40 such contract. However, no employer is entitled to  
41 any payroll expenditure refund for payroll  
42 expenditures incurred after December 31, 2002."

By TOM VILSACK

S-5622 FILED APRIL 13, 1998

## SENATE FILE 2414

S-5624

1 Amend Senate File 2414 as follows:

2 1. Page 1, line 4, by striking the word "is" and  
3 inserting the following: "and low wages are".

4 2. Page 1, line 6, by striking the words "is a  
5 barrier" and inserting the following: "are barriers".

6 3. Page 1, by inserting after line 15 the  
7 following:

8 "The general assembly also finds that raising the  
9 minimum wage can serve as a valuable tool in the  
10 efforts to increase the size of the workforce in the  
11 state."

12 4. Page 3, by inserting after line 10 the  
13 following:

14 "Sec. \_\_\_\_ . Section 91D.1, subsection 1, Code 1997,  
15 is amended to read as follows:

16 ~~1. a. The hourly wage stated in the federal~~  
17 ~~minimum wage law, pursuant to 29 U.S.C. § 206, shall~~  
18 ~~be increased to \$3.85 on January 1 of 1990, \$4.25 on~~  
19 ~~January 1 of 1991, and \$4.65 on January 1 of 1992.~~

20 ~~b. 1. a. Every employer, as defined in the~~  
21 ~~federal Fair Labor Standards Act, shall pay to each of~~  
22 ~~the employer's employees, as defined in the federal~~  
23 ~~Fair Labor Standards Act, wages of not less than the~~  
24 ~~current federal minimum wage, at a rate not less than~~  
25 ~~fifty cents per hour greater than the prevailing~~  
26 ~~federal Fair Labor Standards Act minimum wage pursuant~~  
27 ~~to 29 U.S.C. § 206, or the wage rate stated in~~  
28 ~~paragraph "a", whichever is greater.~~

29 ~~c. b. For purposes of determining whether an~~  
30 ~~employee of a restaurant, hotel, motel, inn, or cabin,~~  
31 ~~who customarily and regularly receives more than~~  
32 ~~thirty dollars a month in tips is receiving the~~  
33 ~~minimum hourly wage rate prescribed by this section,~~  
34 ~~the amount paid the employee by the employer shall be~~  
35 ~~deemed to be increased on account of the tips by an~~  
36 ~~amount determined by the employer, not to exceed forty~~  
37 ~~percent of the applicable minimum wage rate under~~  
38 ~~paragraph "a". An employee may file a written appeal~~  
39 ~~with the labor commissioner if the amount of tips~~  
40 ~~received by the employee is less than the amount~~  
41 ~~determined by the employer under this subsection.~~

42 ~~d. An employer is not required to pay an employee~~  
43 ~~the applicable minimum wage provided in paragraph "a"~~  
44 ~~until the employee has completed ninety calendar days~~  
45 ~~of employment with the employer. An employee who has~~  
46 ~~completed ninety calendar days of employment with the~~  
47 ~~employer prior to January 1 of 1990, 1991, or 1992,~~  
48 ~~shall earn the applicable hourly minimum wage. An~~  
49 ~~employer shall pay an employee who has not completed~~  
50 ~~ninety calendar days of employment with the employer~~

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1 an-hourly-wage-of-at-least-\$3.35-as-of-January-1-of  
2 1990,-\$3.85-as-of-January-1-of-1991,-and-\$4.25-as-of  
3 January-1-of-1992."

4 5. By renumbering as necessary.

By DICK L. DEARDEN  
MATT McCOY  
MIKE CONNOLLY  
BILL FINK  
WILLIAM D. PALMER  
PATRICK J. DELUHERY  
MARY NEUHAUSER  
PATTY JUDGE  
MICHAEL E. GRONSTAL

DON GETTINGS  
EUGENE S. FRAISE  
TOM VILSACK  
WALLY E. HORN  
JOHNIE HAMMOND  
PATRICIA HARPER  
ROBERT E. DVORSKY  
JOHN P. KIBBIE

S-5624 FILED APRIL 13, 1998  
RULED OUT OF ORDER

(P.1196)

## SENATE FILE 2414

S-5627

1 Amend Senate File 2414 as follows:

2 1. Page 2, line 19, by inserting after the word  
3 "contributions," the following: "for administration  
4 involving the certified school to career program,".

5 2. Page 2, by inserting after line 24 the  
6 following:

7 "The full-time equivalent positions authorized in  
8 this section shall be available to administer the  
9 certified school career program created in sections  
10 15.361 through 15.366 as enacted in this Act."

11 3. Page 3, by inserting after line 10 the  
12 following:

13 "Sec. \_\_\_\_ . NEW SECTION. 15.361 TITLE.

14 This part shall be known and may be cited as the  
15 "Certified School to Career Program".

16 Sec. \_\_\_\_ . NEW SECTION. 15.362 DEFINITIONS.

17 As used in this part, unless the context otherwise  
18 requires:

19 1. "Certified school to career program" or  
20 "certified program" means a sequenced and articulated  
21 secondary and postsecondary program registered as an  
22 apprenticeship program under 29 C.F.R. subtit. A, pt.  
23 29, which is conducted pursuant to an agreement as  
24 provided in section 15.364 or a program approved by  
25 the state board of education, in conjunction with the  
26 department of economic development, as meeting the  
27 standards enumerated in section 15.363, that  
28 integrates a secondary school curriculum with private  
29 sector job training which places students in job  
30 internships, and which is designed to continue into  
31 postsecondary education and that will result in  
32 teaching new skills and adding value to the wage-  
33 earning potential of participants and increase their  
34 long-term employability in the state and which is  
35 conducted pursuant to an agreement as provided in  
36 section 15.364.

37 2. "Participant" means an individual between the  
38 ages of sixteen and twenty-four who is enrolled in a  
39 public or private secondary or postsecondary school  
40 and who initiated participation in a certified school  
41 to career program as part of secondary school  
42 education.

43 3. "Payroll expenditures" means the base wages  
44 actually paid by an employer to a participant plus the  
45 amount held in trust to be applied toward the  
46 participant's postsecondary education.

47 4. "Sponsor" means any person, association,  
48 committee, or organization operating a school to  
49 career program and in whose name the program is or  
50 will be registered or approved.

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1 Sec. \_\_\_\_ . NEW SECTION. 15.363 CERTIFICATION  
2 STANDARDS.

3 The state board of education, in consultation with  
4 the department of economic development, shall adopt  
5 rules pursuant to chapter 17A to guide the board and  
6 department in determining whether a potential school  
7 to career program should be approved.

8 A school to career program which is approved by the  
9 state board of education in conjunction with the  
10 department of economic development shall comply with  
11 all of the following standards:

12 1. The program is conducted pursuant to an  
13 organized, written plan embodying the terms and  
14 conditions of employment, job training, classroom  
15 instruction, and supervision of one or more  
16 participants, subscribed to by a sponsor who has  
17 undertaken to carry out the school to career program.

18 2. The program complies with all state and federal  
19 laws pertaining to the workplace.

20 3. The employer agrees to assign an employee to  
21 serve as a mentor for a participant. The mentor's  
22 occupation shall be in the same career pathway as the  
23 career interests of the participant.

24 4. The program involves an eligible postsecondary  
25 institution as defined in section 261C.3.

26 5. Other standards adopted by rule by the state  
27 board of education after consultation with the  
28 department of economic development.

29 Sec. \_\_\_\_ . NEW SECTION. 15.364 CERTIFIED PROGRAM  
30 AGREEMENT.

31 The certified program shall be conducted pursuant  
32 to a signed written agreement between each participant  
33 and the employer which contains at least the following  
34 provisions:

35 1. The names and signatures of the participant and  
36 the sponsor or employer and the signature of a parent  
37 or guardian if the participant is a minor.

38 2. A description of the career field in which the  
39 participant is to be trained, and the beginning date  
40 and duration of the training.

41 3. The employer's agreement to provide paid  
42 employment, at a base wage, for the participant during  
43 the summer months after the participant's junior and  
44 senior years in high school and after the  
45 participant's first year of postsecondary education.

46 4. The participant and employer shall agree upon  
47 set minimum academic standards which must be  
48 maintained through the participant's secondary and  
49 postsecondary education.

50 5. This base wage paid to the participant shall

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Page 3

1 not be less than the minimum wage prescribed by Iowa  
2 law or the federal Fair Labor Standards Act, whichever  
3 is applicable.

4 6. That in addition to the base wage paid to the  
5 participant, the employer shall pay an additional sum  
6 to be held in trust to be applied toward the  
7 participant's postsecondary education required for  
8 completion of the certified program. The additional  
9 amount must be not less than an amount determined by  
10 the department of economic development to be  
11 sufficient to provide payment of tuition expenses  
12 toward completion of not more than two academic years  
13 of the required postsecondary education component of  
14 the certified program at an Iowa community college or  
15 an Iowa public or private college or university. This  
16 amount shall be held in trust for the benefit of the  
17 participant pursuant to rules adopted by the  
18 department of economic development. Payment into an  
19 ERISA-approved fund for the benefit of the participant  
20 shall satisfy this requirement. The specific fund  
21 shall be specified in the agreement.

22 7. The participant's agreement to work for the  
23 employer for at least two years following the  
24 completion of the participant's postsecondary  
25 education required by the certified program and the  
26 employer's agreement to both of the following:

27 a. To provide and pay at least eighty percent of  
28 the cost of a standard medical and dental insurance  
29 plan for the participant.

30 b. To pay a full-time hourly wage to the  
31 participant of at least eleven dollars per hour  
32 indexed to 1998 dollars based on the gross national  
33 product implicit price deflator published by the  
34 bureau of economic analysis of the United States  
35 department of commerce or one hundred thirty percent  
36 of the average wage in the county in which the  
37 facility where the participant will be employed is  
38 located, whichever is higher.

39 However, the agreement may provide for additional  
40 education and work commitments beyond the two years.

41 8. If the participant does not complete the two-  
42 year employment obligation, the participant's  
43 agreement to repay to the employer the amount paid by  
44 the employer toward the participant's postsecondary  
45 education expenses pursuant to subsection 6.

46 9. That if a participant does not complete the  
47 certified program contemplated by the agreement, any  
48 unexpended funds being held in trust for the  
49 participant's postsecondary education shall be paid  
50 back to the employer. In addition the participant

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1 must repay to the employer amounts paid from the trust  
2 which were expended on the participant's behalf for  
3 postsecondary education.

4 Sec.     . NEW SECTION. 15.365 PAYROLL  
5 EXPENDITURE REFUND.

6 1. An employer who employs a participant in a  
7 certified school to career program may claim a refund  
8 of twenty percent of the employer's payroll  
9 expenditures for each participant in the certified  
10 program. The refund is limited to the first four  
11 hundred hours of payroll expenditures per participant  
12 for each calendar year the participant is in the  
13 certified program, not to exceed three years per  
14 participant.

15 2. To receive a refund under subsection 1 for a  
16 calendar year, the employer shall file the claim by  
17 July 1 of the following calendar year. The claim  
18 shall be filed on forms provided by the department of  
19 economic development and the employer shall provide  
20 such information regarding the employer's  
21 participation in a certified school to career program  
22 as the department may require. Forms should be  
23 designed such that claims for refunds for more than  
24 one participant may be made on a single form. A valid  
25 claim shall be paid with interest, the interest to  
26 begin to accrue on the first day of the second  
27 calendar month following the date the claim for refund  
28 was to be filed or was filed, whichever is the latest,  
29 at the rate in effect under section 421.7 counting  
30 each fraction of a month as an entire month under  
31 rules prescribed by the department.

32 3. For each fiscal year of the fiscal period  
33 beginning July 1, 1999, and ending June 30, 2004,  
34 there is appropriated annually from the general fund  
35 of the state to the department of economic development  
36 an amount sufficient to pay refunds under this  
37 section.

38 4. The department of economic development shall  
39 consult with the department of revenue and finance for  
40 purposes of this section. The department of economic  
41 development shall adopt rules as deemed necessary to  
42 carry out the purposes of the certified school to  
43 career program.

44 Sec.     . NEW SECTION. 15.366 REPEAL.

45 This part of chapter 15 is repealed June 30, 2004.  
46 However, any contracts in existence on June 30, 2004,  
47 shall continue to be valid and each party to such  
48 contract is obligated to perform as required under  
49 such contract. However, no employer is entitled to  
50 any payroll expenditure refund for payroll

1 expenditures incurred after December 31, 2002."

By TOM VILSACK

*O/ order  
4-14-98  
(p. 1233)*

## SENATE FILE 2414

S-5667

1 Amend Senate File 2414 as follows:

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

4 "Section 1. NEW SECTION. 15.361 TITLE.

5 This part shall be known and may be cited as the  
6 "Certified School to Career Program".

7 Sec. \_\_\_\_ . NEW SECTION. 15.362 DEFINITIONS.

8 As used in this part, unless the context otherwise  
9 requires:

10 1. "Certified school to career program" or  
11 "certified program" means a sequenced and articulated  
12 secondary and postsecondary program registered as an  
13 apprenticeship program under 29 C.F.R. subtit. A, pt.  
14 29, which is conducted pursuant to an agreement as  
15 provided in section 15.364 or a program approved by  
16 the state board of education, in conjunction with the  
17 department of economic development, as meeting the  
18 standards enumerated in section 15.363, that  
19 integrates a secondary school curriculum with private  
20 sector job training which places students in job  
21 internships, and which is designed to continue into  
22 postsecondary education and that will result in  
23 teaching new skills and adding value to the wage-  
24 earning potential of participants and increase their  
25 long-term employability in the state and which is  
26 conducted pursuant to an agreement as provided in  
27 section 15.364.

28 2. "Participant" means an individual between the  
29 ages of sixteen and twenty-four who is enrolled in a  
30 public or private secondary or postsecondary school  
31 and who initiated participation in a certified school  
32 to career program as part of secondary school  
33 education.

34 3. "Payroll expenditures" means the base wages  
35 actually paid by an employer to a participant plus the  
36 amount held in trust to be applied toward the  
37 participant's postsecondary education.

38 4. "Sponsor" means any person, association,  
39 committee, or organization operating a school to  
40 career program and in whose name the program is or  
41 will be registered or approved.

42 Sec. \_\_\_\_ . NEW SECTION. 15.363 CERTIFICATION  
43 STANDARDS.

44 The state board of education, in consultation with  
45 the department of economic development, shall adopt  
46 rules pursuant to chapter 17A to guide the board and  
47 department in determining whether a potential school  
48 to career program should be approved.

49 A school to career program which is approved by the  
50 state board of education in conjunction with the

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1 department of economic development shall comply with  
2 all of the following standards:

3 1. The program is conducted pursuant to an  
4 organized, written plan embodying the terms and  
5 conditions of employment, job training, classroom  
6 instruction, and supervision of one or more  
7 participants, subscribed to by a sponsor who has  
8 undertaken to carry out the school to career program.

9 2. The program complies with all state and federal  
10 laws pertaining to the workplace.

11 3. The employer agrees to assign an employee to  
12 serve as a mentor for a participant. The mentor's  
13 occupation shall be in the same career pathway as the  
14 career interests of the participant.

15 4. The program involves an eligible postsecondary  
16 institution as defined in section 261C.3.

17 5. Other standards adopted by rule by the state  
18 board of education after consultation with the  
19 department of economic development.

20 Sec. \_\_\_\_ . NEW SECTION. 15.364 CERTIFIED PROGRAM  
21 AGREEMENT.

22 The certified program shall be conducted pursuant  
23 to a signed written agreement between each participant  
24 and the employer which contains at least the following  
25 provisions:

26 1. The names and signatures of the participant and  
27 the sponsor or employer and the signature of a parent  
28 or guardian if the participant is a minor.

29 2. A description of the career field in which the  
30 participant is to be trained, and the beginning date  
31 and duration of the training.

32 3. The employer's agreement to provide paid  
33 employment, at a base wage, for the participant during  
34 the summer months after the participant's junior and  
35 senior years in high school and after the  
36 participant's first year of postsecondary education.

37 4. The participant and employer shall agree upon  
38 set minimum academic standards which must be  
39 maintained through the participant's secondary and  
40 postsecondary education.

41 5. This base wage paid to the participant shall  
42 not be less than the minimum wage prescribed by Iowa  
43 law or the federal Fair Labor Standards Act, whichever  
44 is applicable.

45 6. That in addition to the base wage paid to the  
46 participant, the employer shall pay an additional sum  
47 to be held in trust to be applied toward the  
48 participant's postsecondary education required for  
49 completion of the certified program. The additional  
50 amount must be not less than an amount determined by

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1 the department of economic development to be  
2 sufficient to provide payment of tuition expenses  
3 toward completion of not more than two academic years  
4 of the required postsecondary education component of  
5 the certified program at an Iowa community college or  
6 an Iowa public or private college or university. This  
7 amount shall be held in trust for the benefit of the  
8 participant pursuant to rules adopted by the  
9 department of economic development. Payment into an  
10 ERISA-approved fund for the benefit of the participant  
11 shall satisfy this requirement. The specific fund  
12 shall be specified in the agreement.

13 7. The participant's agreement to work for the  
14 employer for at least two years following the  
15 completion of the participant's postsecondary  
16 education required by the certified program and the  
17 employer's agreement to both of the following:  
18 a. To provide and pay at least eighty percent of  
19 the cost of a standard medical and dental insurance  
20 plan for the participant.

21 b. To pay a full-time hourly wage to the  
22 participant of at least eleven dollars per hour  
23 indexed to 1998 dollars based on the gross national  
24 product implicit price deflator published by the  
25 bureau of economic analysis of the United States  
26 department of commerce or one hundred thirty percent  
27 of the average wage in the county in which the  
28 facility where the participant will be employed is  
29 located, whichever is higher.

30 However, the agreement may provide for additional  
31 education and work commitments beyond the two years.

32 8. If the participant does not complete the two-  
33 year employment obligation, the participant's  
34 agreement to repay to the employer the amount paid by  
35 the employer toward the participant's postsecondary  
36 education expenses pursuant to subsection 6.

37 9. That if a participant does not complete the  
38 certified program contemplated by the agreement, any  
39 unexpended funds being held in trust for the  
40 participant's postsecondary education shall be paid  
41 back to the employer. In addition the participant  
42 must repay to the employer amounts paid from the trust  
43 which were expended on the participant's behalf for  
44 postsecondary education.

45 Sec. \_\_\_\_ . NEW SECTION. 15.365 PAYROLL  
46 EXPENDITURE REFUND.

47 1. An employer who employs a participant in a  
48 certified school to career program may claim a refund  
49 of twenty percent of the employer's payroll  
50 expenditures for each participant in the certified

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1 program. The refund is limited to the first four  
2 hundred hours of payroll expenditures per participant  
3 for each calendar year the participant is in the  
4 certified program, not to exceed three years per  
5 participant.

6 2. To receive a refund under subsection 1 for a  
7 calendar year, the employer shall file the claim by  
8 July 1 of the following calendar year. The claim  
9 shall be filed on forms provided by the department of  
10 economic development and the employer shall provide  
11 such information regarding the employer's  
12 participation in a certified school to career program  
13 as the department may require. Forms should be  
14 designed such that claims for refunds for more than  
15 one participant may be made on a single form. A valid  
16 claim shall be paid with interest, the interest to  
17 begin to accrue on the first day of the second  
18 calendar month following the date the claim for refund  
19 was to be filed or was filed, whichever is the latest,  
20 at the rate in effect under section 421.7 counting  
21 each fraction of a month as an entire month under  
22 rules prescribed by the department.

23 3. For each fiscal year of the fiscal period  
24 beginning July 1, 1999, and ending June 30, 2005,  
25 there is appropriated annually from the general fund  
26 of the state to the department of economic development  
27 an amount sufficient to pay refunds under this  
28 section.

29 4. The department of economic development shall  
30 consult with the department of revenue and finance for  
31 purposes of this section. The department of economic  
32 development shall adopt rules as deemed necessary to  
33 carry out the purposes of the certified school to  
34 career program.

35 Sec. \_\_\_\_ . NEW SECTION. 15.366 REPEAL.

36 This part of chapter 15 is repealed June 30, 2005.  
37 However, any contracts in existence on June 30, 2005,  
38 shall continue to be valid and each party to such  
39 contract is obligated to perform as required under  
40 such contract. However, no employer is entitled to  
41 any payroll expenditure refund for payroll  
42 expenditures incurred after December 31, 2003.

43 Sec. \_\_\_\_ . FINDINGS. The general assembly finds  
44 that growing levels of employment coupled with  
45 historically low levels of unemployment are evidence  
46 of increasing scarcity of skilled workers. Limited  
47 access to a skilled workforce is preventing Iowa  
48 companies from increasing employment and production,  
49 and is a barrier to sustained and stable economic  
50 growth.

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1 Further, the general assembly finds that in order  
2 to increase the size of the workforce, a partnership  
3 of private sector employers, communities and public  
4 sector organizations should be formed to develop and  
5 implement a workforce recruitment initiative. The  
6 initiative is intended to include strategies for  
7 recruiting new workers that will meet the workforce  
8 needs of Iowa employers who are unable to fill high  
9 quality jobs.

10 Sec. \_\_\_\_ . WORKFORCE RECRUITMENT INITIATIVE. The  
11 general assembly finds an immediate need for the  
12 establishment of a workforce recruitment initiative  
13 with projects intended to retain and recruit new  
14 skilled and unskilled employees to fill the needs of  
15 both communities and businesses. The department of  
16 economic development and the department of workforce  
17 development shall enter into a cooperative memorandum  
18 of understanding to accomplish purposes of this  
19 initiative. The memorandum shall include, but not be  
20 limited to, provisions for the sharing and utilization  
21 of job matching databases and technology to accomplish  
22 the purposes of the initiative and for an allocation  
23 out of moneys appropriated to the department of  
24 economic development for purposes of the workforce  
25 recruitment initiative for payment of employee  
26 salaries related to the workforce recruitment  
27 initiative.

28 Sec. \_\_\_\_ . STATE AGENCY COOPERATION. The  
29 department of economic development and the department  
30 of workforce development shall seek and obtain the  
31 cooperation of any state agency and local economic  
32 development organization actively involved in  
33 workforce development initiatives which could provide  
34 employee recruitment and marketing assistance to  
35 accomplish the workforce recruitment initiative.

36 Sec. \_\_\_\_ . For purposes of the workforce  
37 recruitment initiative, the department of workforce  
38 development shall increase the number of full-time  
39 equivalent positions authorized for the department  
40 during the fiscal year beginning July 1, 1998, by 2.00  
41 FTEs through moneys authorized for expenditure in this  
42 Act and allocated pursuant to the cooperative  
43 memorandum of understanding entered into with the  
44 department of economic development as provided in  
45 section 2.

46 Sec. \_\_\_\_ . APPROPRIATION. There is appropriated  
47 from the general fund of the state to the department  
48 of economic development for the fiscal year beginning  
49 July 1, 1998, and ending June 30, 1999, the following  
50 amount, or so much thereof as is necessary, to be used

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1 for the purposes designated:  
 2 For workforce recruitment initiative purposes  
 3 including technical support and maintenance of  
 4 databases and an internet web site, for a joint  
 5 proposal of the department of economic development and  
 6 the department of workforce development relating to  
 7 the workforce recruitment initiative which shall  
 8 include provisions for private sector contributions,  
 9 for administration involving the certified school to  
 10 career program, and including salaries, support,  
 11 maintenance, miscellaneous purposes, and for not more  
 12 than the following full-time equivalent positions:

13 .....	\$	300,000
14 .....	FTEs	3.00

15 The full-time equivalent positions authorized in  
 16 this section shall be available to administer the  
 17 certified school to career program created in sections  
 18 15.361 through 15.366 as enacted in this Act.

19 Notwithstanding section 8.33, moneys appropriated  
 20 in this section which remain unexpended or unobligated  
 21 on June 30, 1999, shall not revert to the general fund  
 22 of the state but shall remain available for  
 23 expenditure in the fiscal year beginning July 1, 1999,  
 24 for the purposes designated.

25 Sec. \_\_\_\_\_. There is allocated from the reversion  
 26 technology initiatives account, subject to the  
 27 creation of this account by the general assembly, to  
 28 the department of economic development for the fiscal  
 29 year beginning July 1, 1998, and ending June 30, 1999,  
 30 \$150,000 to be used for the purchase of equipment,  
 31 software, laptop computers, and other necessary  
 32 technological equipment. Moneys allocated from the  
 33 reversion technology initiatives account pursuant to  
 34 this section shall be allocated prior to any other  
 35 allocation required by law.

36 Sec. \_\_\_\_\_. The business development division of the  
 37 department of economic development may expend from  
 38 moneys appropriated to the department and allocated to  
 39 the business development division, for business  
 40 development operations, up to \$400,000 for increasing  
 41 the labor availability and recruitment efforts in the  
 42 state in all occupational areas and as deemed  
 43 necessary.

44 Sec. \_\_\_\_\_. EFFECTIVE DATE. This Act, being deemed  
 45 of immediate importance, takes effect upon enactment."

46 2. By renumbering as necessary.  
 By TOM VILSACK