

**877—16.13(15,76GA,SF2351) Supplemental 1½ percent withholding.** For the purposes of determining new jobs training programs established under Iowa Code chapter 260E eligible to receive supplemental new jobs credit of 1½ percent of gross wages from withholding, the following criteria shall be met:

**16.13(1)** Only those new jobs training programs established by a 260E final agreement, approved by the community college board of directors after June 30, 1996, and including a provision for a supplemental new jobs credit from withholding from jobs created under the agreement are eligible for the supplemental credit.

**16.13(2)** For purposes of determining the average county or average regional wage, the department shall calculate the average county wage utilizing statistics compiled for the community economic betterment program. The average county wage will be calculated utilizing the most recent four quarters of historical wage averages available at the beginning of each fiscal year. The regional average wage shall be calculated based on service delivery areas as defined in Iowa Code section 84B.2. This average will be the sum of the county averages divided by the number of counties in the region.

**16.13(3)** The department will make available to the community colleges the averages at the beginning of each state fiscal year for use in determining supplemental withholding credit eligibility for that fiscal year.

**16.13(4)** For the purposes of determining eligibility for the supplemental credit, starting wages for a new job shall be determined on a one-time basis by the community college as follows:

*a.* The employer shall agree, as a part of the final agreement, to pay starting wages which are equal to or greater than the county or regional average, whichever is lower.

*b.* Only those individual jobs for which the starting wage is equal to or greater than the average county wage or average regional wage, whichever is lower, are eligible for the supplemental new jobs credit from withholding.

*c.* For purposes of comparing starting wages to the county or regional average, the community college shall reduce the annual gross wages to be paid for the job to an hourly wage based upon a 40-hour workweek.

*d.* Such determination by the community college shall be conclusive and the individual job shall thereafter be eligible and may be used for the supplemental credit from withholding to fund the supplemental project under the agreement.

*e.* Future annual changes in county or regional averages shall not affect the eligibility of those jobs that have been determined by the community college to be eligible at the time of final agreement for a project.

**16.13(5)** The community college may require the employer to supply appropriate payroll records and projections to verify eligibility of the supplemental credit.

This rule is intended to implement the provisions of 1996 Iowa Acts, Senate File 2351, section 8, effective July 1, 1996, and does not affect agreements included in Iowa Code section 15.326, New Jobs and Income Act, Iowa Code section 15A.9, Quality Jobs Enterprise Zone, or those agreements under Iowa Code chapter 260E, Iowa Industrial New Jobs Training Program, which do not contain a provision for a supplemental new jobs credit from withholding.

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