Senate Amendment 5667

Amendment Text

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1 1 Amend Senate File 2414 as follows:
1 2 #1. By striking everything after the enacting
1 3 clause and inserting the following:
1 4 "Section 1. NEW SECTION. 15.361 TITLE.
1 5 This part shall be known and may be cited as the
1 6 "Certified School to Career Program".
1 7 Sec. ___. NEW SECTION. 15.362 DEFINITIONS.
1 8 As used in this part, unless the context otherwise
1 9 requires:
1 10 1. "Certified school to career program" or
1 11 "certified program" means a sequenced and articulated
1 12 secondary and postsecondary program registered as an
1 13 apprenticeship program under 29 C.F.R. subtit. A, pt.
1 14 29, which is conducted pursuant to an agreement as
1 15 provided in section 15.364 or a program approved by
1 16 the state board of education, in conjunction with the
1 17 department of economic development, as meeting the
1 18 standards enumerated in section 15.363, that
1 19 integrates a secondary school curriculum with private
1 20 sector job training which places students in job
1 21 internships, and which is designed to continue into
1 22 postsecondary education and that will result in
1 23 teaching new skills and adding value to the wage-
1 24 earning potential of participants and increase their
1 25 long-term employability in the state and which is
1 26 conducted pursuant to an agreement as provided in
1 27 section 15.364.
1 28 2. "Participant" means an individual between the
1 29 ages of sixteen and twenty-four who is enrolled in a
1 30 public or private secondary or postsecondary school
1 31 and who initiated participation in a certified school
1 32 to career program as part of secondary school
1 33 education.
1 34 3. "Payroll expenditures" means the base wages
1 35 actually paid by an employer to a participant plus the
1 36 amount held in trust to be applied toward the
1 37 participant's postsecondary education.
1 38 4. "Sponsor" means any person, association,
1 39 committee, or organization operating a school to
1 40 career program and in whose name the program is or
1 41 will be registered or approved.
1 42 Sec. ___. NEW SECTION. 15.363 CERTIFICATION
1 43 STANDARDS.
1 44 The state board of education, in consultation with
1 45 the department of economic development, shall adopt
1 46 rules pursuant to chapter 17A to guide the board and
1 47 department in determining whether a potential school
1 48 to career program should be approved.
1 49 A school to career program which is approved by the
1 50 state board of education in conjunction with the
2 1 department of economic development shall comply with
2 2 all of the following standards:
2 3 1. The program is conducted pursuant to an
2 4 organized, written plan embodying the terms and
2 5 conditions of employment, job training, classroom
2 6 instruction, and supervision of one or more
2 7 participants, subscribed to by a sponsor who has

undertaken to carry out the school to career program.

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

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

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

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

Sec. ___. NEW SECTION. 15.364 CERTIFIED PROGRAM AGREEMENT.

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

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

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

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

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

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

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

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

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

b. To pay a full-time hourly wage to the participant of at least eleven dollars per hour indexed to 1998 dollars based on the gross national product implicit price deflator published by the

bureau of economic analysis of the United States department of commerce or one hundred thirty percent of the average wage in the county in which the facility where the participant will be employed is located, whichever is higher.

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

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

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

Sec. ___. NEW SECTION. 15.365 PAYROLL EXPENDITURE REFUND.

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

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

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

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

Sec. ___. NEW SECTION. 15.366 REPEAL.

This part of chapter 15 is repealed June 30, 2005. However, any contracts in existence on June 30, 2005, shall continue to be valid and each party to such contract is obligated to perform as required under such contract. However, no employer is entitled to any payroll expenditure refund for payroll

expenditures incurred after December 31, 2003.

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

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

Sec. ___. WORKFORCE RECRUITMENT INITIATIVE. The general assembly finds an immediate need for the establishment of a workforce recruitment initiative with projects intended to retain and recruit new skilled and unskilled employees to fill the needs of both communities and businesses. The department of economic development and the department of workforce development shall enter into a cooperative memorandum of understanding to accomplish purposes of this initiative. The memorandum shall include, but not be limited to, provisions for the sharing and utilization of job matching databases and technology to accomplish the purposes of the initiative and for an allocation out of moneys appropriated to the department of economic development for purposes of the workforce recruitment initiative for payment of employee salaries related to the workforce recruitment initiative.

Sec. ___. STATE AGENCY COOPERATION. The department of economic development and the department of workforce development shall seek and obtain the cooperation of any state agency and local economic development organization actively involved in workforce development initiatives which could provide employee recruitment and marketing assistance to accomplish the workforce recruitment initiative.

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

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

For workforce recruitment initiative purposes including technical support and maintenance of databases and an internet web site, for a joint proposal of the department of economic development and the department of workforce development relating to the workforce recruitment initiative which shall include provisions for private sector contributions,

for administration involving the certified school to career program, and including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... $ 300,000

..... FTEs 3.00

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

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

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

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

Sec. ___. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment."

#2. By renumbering as necessary.

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