BUDGET UNIT BRIEF – FY 2025

Fiscal Services Division July 1, 2024

Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

LEGISLATIVE

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Empower Rural Iowa Program

Purpose and History

In 2018, Governor Reynolds created the <u>Empower Rural Iowa</u> (ERI) initiative through <u>Executive Order 3</u>, organizing three task forces (Investing in Rural Iowa, Growing Rural Iowa, and Connecting Rural Iowa) to study issues affecting Iowa's rural economies and to make recommendations to the Governor and General Assembly. 2019 Iowa Acts, <u>House File 772</u> (Empower Rural Iowa Act), created incentives for the ERI initiative within the Iowa Economic Development Authority (IEDA) to support Iowa's rural economies. The Center for Rural Revitalization, housed within the IEDA, is responsible for the day-to-day operations of the ERI program.

Funding

2021 Iowa Acts, <u>House File 871</u> (FY 2022 Economic Development Appropriations Act), appropriated \$700,000 in FY 2022 from the <u>Iowa Skilled Worker and Job Creation Fund (SWJCF</u>) to the ERI Program for various initiatives. A \$300,000 appropriation was first made for FY 2020 through the SWJCF with the 2019 enactment of <u>Senate File 608</u> (FY 2020 Economic Development Appropriations Act) for the <u>Empower Rural Iowa Rural Innovation Grant Program</u> to support innovative rural projects. A \$100,000 appropriation was first made in SF 608 from the SWJCF for the <u>Rural Housing Assessment Grant</u> <u>Program</u> to provide small communities with hard data and housing-related information specific to the community being analyzed.

In 2013, the 85th General Assembly enacted <u>HF 604</u> (FY 2014 Education Appropriations Act), section 31, which established the SWJCF in Iowa Code section <u>8.75</u> as a separate fund in the State treasury. The Fund centralizes funding for job creation, job training, and job learning opportunities. The 85th General Assembly also enacted <u>HF 638</u> (Infrastructure Appropriations Act), section 30, which established a standing limited appropriation of \$66.0 million in wagering tax receipts from the Rebuild Iowa Infrastructure Fund (RIIF) to the SWJCF (Iowa Code section <u>8.57</u>(5)(f)(1)(d)). The new funding replaced approximately \$16.2 million in General Fund appropriations and \$15.0 million in RIIF appropriations that were being used for some of the programs. Beginning with FY 2019, the standing limited appropriation to the SWJCF is \$63.8 million.

Related Statutes and Administrative Rules

Iowa Code chapter <u>8B</u> Iowa Code section <u>15.354</u> Iowa Code section <u>15.355</u> Iowa Administrative Code <u>261—220.1</u> Iowa Administrative Code <u>261—221.1</u>

More Information

Iowa Economic Development Authority: <u>www.iowaeda.com/empower-rural-iowa</u> LSA Staff Contact: Evan Johnson (515.281.6301) <u>evan.johnson@legis.iowa.gov</u>

Budget Unit Number

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