BUDGET UNIT BRIEF – FY 2025

Fiscal Services Division July 1, 2024

Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

LEGISLATIVE

SERVICES AGENCY Serving the Iowa Legislature

PACE and Regional Sectors — Skilled Worker and Job Creation Fund

Purpose

The PACE and Regional Sectors appropriation provides funding for the Pathways for Academic Career and Employment (PACE) Program. Under the PACE Program, the community colleges coordinate with the Iowa Economic Development Authority, the Department of Education, Iowa Workforce Development, regional advisory boards, and community partners to develop a simplified, streamlined, and comprehensive process and customized support services to help participants acquire training to secure gainful, quality, in-state employment.

Projects eligible for PACE funding must enable target populations to acquire and demonstrate competency in basic skills and in a specified technical field, to complete a specified level of postsecondary education, to earn a National Career Readiness Certificate, to obtain employer-validated credentials, and to secure gainful employment in local high-quality jobs. The projects must also meet the economic and workforce development goals established by regional advisory boards and meet the needs of partners in specified industries.

The statute specifies required program components and requires each community college to develop a pipeline program to help identify eligible participants. The PACE funding may be used to employ Pathway Navigators to assist persons applying for or enrolled in PACE projects. The funding may also be used to provide staff and support to regional industry sector partnerships.

Eligibility for Participation

The PACE Program targets the following populations:

- Persons deemed low-skilled for the purposes of attaining gainful, quality, in-state employment.
- Persons earning incomes at or below 250.0% of the federal poverty level.
- Unemployed persons.
- Underemployed persons.
- Dislocated workers, including those eligible for services and benefits under the federal Trade Act of 2002, as determined by the Department of Workforce Development and the federal Internal Revenue Service.

More Information

Iowa Skilled Worker and Job Creation Fund: <u>www.educateiowa.gov/adult-career-and-community-</u> <u>college/iowa-skilled-workforce-and-job-creation-fund</u> LSA Staff Contact: Jacob Ludwig (515.725.0155) jacob.ludwig@legis.iowa.gov

Funding

The PACE Program was first funded in FY 2014. The appropriation is administered by the Department of Education and allocated to the community colleges using the formula established in statute for the annual General Aid appropriation.

The annual appropriation is not subject to reversion to the State General Fund. Annual awards for the PACE Program cannot exceed \$5.0 million.

Related Statutes and Administrative Rules

Iowa Code chapter <u>260H</u> Iowa Administrative Code <u>281—25</u>

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