## **FISCAL TOPICS**

Fiscal Services Division September 26, 2023

Ground Floor, State Capitol Building

Des Moines, Iowa 50319



515.281.3566

# Iowa Skilled Worker and Job Creation Fund

#### **Purpose and History**

In 2013, the 85th General Assembly enacted 2013 Iowa Acts, chapter <u>141</u> (FY 2014 Education Appropriations Act), which established the Iowa Skilled Worker and Job Creation Fund (SWJCF) in Iowa Code section <u>8.75</u>. The Fund centralizes funding for job creation, job training, and job learning opportunities.

Section 30 of 2013 Iowa Acts, chapter <u>142</u> (FY 2014 Infrastructure Appropriations Act) amended Iowa Code to annually deposit \$66.0 million in State wagering tax receipts to the SWJCF beginning in FY 2014. Prior to this law change, the \$66.0 million was deposited into the Rebuild Iowa Infrastructure Fund (RIIF). The new funding replaced appropriations for job training-related programs that were previously funded from the General Fund (\$16.2 million) and the RIIF (\$15.0 million).

Section 30 of chapter 141 appropriated the \$66.0 million from the SWJCF for FY 2014 to multiple State agencies for various programs related to workforce training.

During the 2018 Legislative Session, \$10.0 million was deappropriated from the FY 2018 SWJCF appropriation to the High Quality Jobs Program and the \$10.0 million was transferred from the SWJCF to the General Fund in 2018 lowa Acts, chapter <u>1028</u> (FY 2018 Budget Adjustment Act). In FY 2019, \$7.8 million was restored to the High Quality Jobs Program in 2018 lowa Acts, chapter <u>1169</u> (FY 2019 Economic Development Appropriations Act). Chapter 1169 also changed the annual allocation of State wagering tax receipts to the SWJCF from \$66.0 million to \$63.8 million beginning with FY 2019.

Appropriations from the SWJCF occur in the annual Economic Development Appropriations Act and the Education Appropriations Act.

#### **More Information**

Iowa Economic Development Authority: <u>iowaeda.com</u> Iowa Workforce Development: <u>iowaworkforcedevelopment.gov</u> Iowa Board of Regents: <u>iowaregents.edu</u> Iowa Department of Education: <u>educateiowa.gov</u> LSA Staff Contact: Evan Johnson (515.281.6301) <u>evan.johnson@legis.iowa.gov</u>

### **SWJCF** Appropriations

	Actual FY 2020 (1)		Actual FY 2021 (2)		Actual FY 2022 (3)		Estimated FY 2023 (4)		Final Action FY 2024 (5)	
Economic Development Authority										
Economic Development Authority STEM Internships STEM Best Empower Rural Iowa Rural Innovation Grants Empower Rural Iowa Housing Needs Assessment Butchery Innovation and Revitalization Empower Rural Iowa Program High Quality Jobs Program Future Ready Iowa Mentor Program	\$	1,000,000 0 300,000 100,000 0 11,700,000 400,000	\$	1,000,000 0 300,000 100,000 0 11,700,000 400,000	\$	1,000,000 700,000 0 0 700,000 11,700,000 400,000	\$	633,325 700,000 0 366,675 700,000 11,700,000 400,000	\$	0 0 366,675 700,000 11,700,000 0
Total Economic Development Authority	\$	13,500,000	\$	13,500,000	\$	14,500,000	\$	14,500,000	\$	12,766,675
College Student Aid Commission										
College Student Aid Comm. Future Ready Iowa Grant Program	\$	1,000,000	\$	1,000,000	\$	0	\$	0	\$	0
Total College Student Aid Commission	\$	1,000,000	\$	1,000,000	\$	0	\$	0	\$	0
Workforce Development, Department of Iowa Workforce Development AMOS Mid-Iowa Organizing Strategy Future Ready Iowa Coordinator Adult Literacy for the Workforce Work-Based Learning Intermediary Network STEM Scholarships	\$	100,000 150,000 0 0 0	\$	100,000 150,000 0 0 0	\$	100,000 150,000 0 0 0	\$	100,000 150,000 0 0 0	\$	100,000 150,000 5,500,000 1,500,000 633,325
Total Workforce Development, Department of	\$	250,000	\$	250,000	\$	250,000	\$	250,000	\$	7,883,325
Regents, Board of										
Regents, Board of Regents Innovation Fund ISU - Economic Development UI - Economic Development UI - Entrepreneur and Economic Growth UNI - Economic Development	\$	3,000,000 2,424,302 209,279 2,000,000 1,066,419	\$	3,000,000 2,424,302 209,279 2,000,000 1,066,419	\$	3,000,000 2,424,302 209,279 2,000,000 1,066,419	\$	3,000,000 2,424,302 209,279 2,000,000 1,066,419	\$	3,000,000 2,424,302 209,279 2,000,000 1,466,419
Total Regents, Board of	\$	8,700,000	\$	8,700,000	\$	8,700,000	\$	8,700,000	\$	9,100,000
College Student Aid Commission College Student Aid Comm. Skilled Workforce Tuition Grant Total College Student Aid Commission	\$	5,000,000	\$ \$	5,000,000	\$ \$	5,000,000	\$ \$	5,000,000	\$ \$	00
Education, Department of										
Education, Dept. of Skilled Workforce Tuition Grant Workforce Training & Economic Development ACE Infrastructure PACE and Regional Sectors Gap Tuition Assistance Fund Workforce Preparation Outcome Reporting STEM Best Adult Literacy for the Workforce Work-Based Intermediary Network	\$	0 15,100,000 6,000,000 2,000,000 200,000 0 5,500,000 1,500,000	\$	0 15,100,000 6,000,000 2,000,000 200,000 0 5,500,000 1,500,000	\$	0 15,100,000 6,000,000 2,000,000 200,000 0 5,500,000 1,500,000	\$	0 15,100,000 6,000,000 2,000,000 200,000 0 5,500,000 1,500,000	\$	5,000,000 15,100,000 5,000,000 2,000,000 200,000 700,000 0 0
Total Education, Department of	\$	35,300,000	\$	35,300,000	\$	35,300,000	\$	35,300,000	\$	34,000,000
Total Appropriations	\$	63,750,000	\$	63,750,000	\$	63,750,000	\$	63,750,000	\$	63,750,000

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