
FISCAL TOPICS

Fiscal Services Division

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Workforce Development Fund

Purpose and History

The Workforce Development Fund (WDF) was created with the enactment of 1995 Iowa Acts, chapter [184](#) (Workforce Development Fund Act). The purpose of the WDF is to provide revenue for programs that address Iowa's workforce development needs. The WDF is administered by the Iowa Department of Workforce Development (IWD), and training services are provided by the 15 community colleges in the State. Moneys in the WDF do not revert to the General Fund at the close of the fiscal year.

Moneys appropriated to the WDF are to be used for the following programs and purposes:

- Jobs training projects under Iowa Code chapter [260F](#).
- Apprenticeship programs under Iowa Code section [260C.44](#), including new or statewide building trades apprenticeship programs.
- To support efforts by the community colleges to provide workforce services to Iowa employers.

The moneys in the WDF are allocated as follows:

- \$3.0 million for the Iowa Job Training Program established in Iowa Code section [260F.6](#).
- \$1.0 million for the High Technology Apprenticeship Program established in Iowa Code section [260F.6B](#).

Funding

The WDF last received funding in FY 2023 from an appropriation from the WDF Account. The WDF Account receives funding from the New Jobs Credit (Iowa Code section [422.16A](#)) per the withholding mechanism established in Iowa Code section [260E.5](#), including a job training project funded under Iowa Code section [260J.1](#) or [260J.2](#). After a business's training obligation has been paid off, an amount equal to 25.0% of the total amount of withholdings paid by a business for jobs created under the New Jobs Credit Program are diverted each quarter to the WDF Account for a period of 10 years.

Related Statutes and Administrative Rules

Iowa Code chapters [84G](#), [260F](#)

Iowa Code sections [260E.5](#), [422.16A](#)

Iowa Administrative Code [877—18](#)

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More Information

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