



TERRY E. BRANSTAD
GOVERNOR

OFFICE OF THE GOVERNOR

KIM REYNOLDS
LT. GOVERNOR

May 12, 2017

The Honorable Paul Pate
Secretary of State of Iowa
State Capitol
LOCAL

Dear Mr. Secretary:

I hereby transmit Senate File 513, an Act making appropriations to the department of cultural affairs, the economic development authority, the Iowa finance authority, the public employment relations board, the department of workforce development, and the state board of regents and certain regents institutions, and properly related matters.

Senate File 513 is approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the designated portion of the item designated as Division I, Section 6, numbered paragraph 2. House File 586 designates the Department of Human Services as the entity that determines who is eligible for the rent subsidy program. This item is unnecessary and contradicts the language set out in House File 586.

I am unable to approve the designated portion of the item designated as Division II, Section 23, numbered paragraph 2. House File 586 designates the Department of Human Services as the entity that determines who is eligible for the rent subsidy program. This item is unnecessary and contradicts the language set out in House File 586.

For the above reasons, I respectfully disapprove the designated item in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in Senate File 513 are hereby approved as of this date.

Sincerely,

A handwritten signature in black ink that reads "Terry E. Branstad".

TERRY E. BRANSTAD
Governor



AN ACT

MAKING APPROPRIATIONS TO THE DEPARTMENT OF CULTURAL AFFAIRS, THE ECONOMIC DEVELOPMENT AUTHORITY, THE IOWA FINANCE AUTHORITY, THE PUBLIC EMPLOYMENT RELATIONS BOARD, THE DEPARTMENT OF WORKFORCE DEVELOPMENT, AND THE STATE BOARD OF REGENTS AND CERTAIN REGENTS INSTITUTIONS, AND PROPERLY RELATED MATTERS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I
FY 2017-2018

Section 1. DEPARTMENT OF CULTURAL AFFAIRS.

1. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2017, and ending June 30, 2018, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions for the department:

.....	\$	168,637
.....	FTEs	56.50

The department of cultural affairs shall coordinate activities with the tourism office of the economic development authority to promote attendance at the state historical building and at this state's historic sites.

Full-time equivalent positions authorized under this paragraph are funded, in full or in part, using moneys appropriated under this paragraph and paragraphs "c" through "g".

b. COMMUNITY CULTURAL GRANTS

For planning and programming for the community cultural grants program established under section 303.3:

..... \$ 172,090

c. HISTORICAL DIVISION

For the support of the historical division:

..... \$ 2,977,797

d. HISTORIC SITES

For the administration and support of historic sites:

..... \$ 426,398

e. ARTS DIVISION

For the support of the arts division:

..... \$ 1,192,188

Of the moneys appropriated in this paragraph, the department shall allocate \$300,000 for purposes of the film office.

f. IOWA GREAT PLACES

For the Iowa great places program established under section 303.3C:

..... \$ 150,000

g. RECORDS CENTER RENT

For payment of rent for the state records center:

..... \$ 227,243

h. CULTURAL TRUST GRANTS

For grant programs administered by the Iowa arts council including but not limited to those programs supporting the long-term financial stability and sustainability of nonprofit cultural organizations:

..... \$ 25,000

2. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 2. GOALS AND ACCOUNTABILITY — ECONOMIC DEVELOPMENT.

1. For the fiscal year beginning July 1, 2017, the goals

for the economic development authority shall be to expand and stimulate the state economy, increase the wealth of Iowans, and increase the population of the state.

2. To achieve the goals in subsection 1, the economic development authority shall do all of the following for the fiscal year beginning July 1, 2017:

a. Concentrate its efforts on programs and activities that result in commercially viable products and services.

b. Adopt practices and services consistent with free market, private sector philosophies.

c. Ensure economic growth and development throughout the state.

d. Work with businesses and communities to continually improve the economic development climate along with the economic well-being and quality of life for Iowans.

e. Coordinate with other state agencies to ensure that they are attentive to the needs of an entrepreneurial culture.

f. Establish a strong and aggressive marketing image to showcase Iowa's workforce, existing industry, and potential. A priority shall be placed on recruiting new businesses, business expansion, and retaining existing Iowa businesses. Emphasis shall be placed on entrepreneurial development through helping entrepreneurs secure capital, and developing networks and a business climate conducive to entrepreneurs and small businesses.

g. Encourage the development of communities and quality of life to foster economic growth.

h. Prepare communities for future growth and development through development, expansion, and modernization of infrastructure.

i. Develop public-private partnerships with Iowa businesses in the tourism industry, Iowa tour groups, Iowa tourism organizations, and political subdivisions in this state to assist in the development of advertising efforts.

j. Develop, to the fullest extent possible, cooperative efforts for advertising with contributions from other sources.

Sec. 3. ECONOMIC DEVELOPMENT AUTHORITY.

1. APPROPRIATION

a. There is appropriated from the general fund of the state

to the economic development authority for the fiscal year beginning July 1, 2017, and ending June 30, 2018, the following amount, or so much thereof as is necessary, to be used for the purposes designated in this subsection, and for not more than the following full-time equivalent positions:

.....	\$ 13,400,000
.....	FTEs 147.45

b. (1) For salaries, support, miscellaneous purposes, programs, marketing, and the maintenance of an administration division, a business development division, a community development division, a small business development division, and other divisions the authority may organize.

(2) The full-time equivalent positions authorized under this section are funded, in whole or in part, by the moneys appropriated under this subsection or by other moneys received by the authority, including certain federal moneys.

(3) For business development operations and programs, international trade, export assistance, workforce recruitment, and the partner state program.

(4) For transfer to a fund created pursuant to section 15.313 for purposes of financing strategic infrastructure projects.

(5) For community economic development programs, tourism operations, community assistance, plans for Iowa green corps and summer youth programs, the mainstreet and rural mainstreet programs, the school-to-career program, the community development block grant, and housing and shelter-related programs.

(6) For achieving the goals and accountability, and fulfilling the requirements and duties required under this Act.

c. Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated in this subsection until the close of the succeeding fiscal year.

2. FINANCIAL ASSISTANCE RESTRICTIONS

a. A business creating jobs through moneys appropriated in subsection 1 shall be subject to contract provisions requiring new and retained jobs to be filled by individuals who are

citizens of the United States who reside within the United States or any person authorized to work in the United States pursuant to federal law, including legal resident aliens in the United States.

b. Any vendor who receives moneys appropriated in subsection 1 shall adhere to such contract provisions and provide periodic assurances as the state shall require that the jobs are filled solely by citizens of the United States who reside within the United States or any person authorized to work in the United States pursuant to federal law, including legal resident aliens in the United States.

c. A business that receives financial assistance from the authority from moneys appropriated in subsection 1 shall only employ individuals legally authorized to work in this state. In addition to all other applicable penalties provided by current law, all or a portion of the assistance received by a business which is found to knowingly employ individuals not legally authorized to work in this state is subject to recapture by the authority.

3. USES OF APPROPRIATIONS

a. From the moneys appropriated in subsection 1, the authority may provide financial assistance in the form of a grant to a community economic development entity for conducting a local workforce recruitment effort designed to recruit former citizens of the state and former students at colleges and universities in the state to meet the needs of local employers.

b. From the moneys appropriated in subsection 1, the authority may provide financial assistance to early stage industry companies being established by women entrepreneurs.

c. From the moneys appropriated in subsection 1, the authority may provide financial assistance in the form of grants, loans, or forgivable loans for advanced research and commercialization projects involving value-added agriculture, advanced technology, or biotechnology.

d. The authority shall not use any moneys appropriated in subsection 1 for purposes of providing financial assistance for the Iowa green streets pilot project or for any other program or project that involves the installation of geothermal systems for melting snow and ice from streets or sidewalks.

4. WORLD FOOD PRIZE

There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2017, and ending June 30, 2018, the following amount for the world food prize and in lieu of the standing appropriation in section 15.368:

..... \$ 400,000

5. IOWA COMMISSION ON VOLUNTEER SERVICE

There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2017, and ending June 30, 2018, the following amount for allocation to the Iowa commission on volunteer service for purposes of the Iowa state commission grant program, the Iowa's promise and Iowa mentoring partnership programs, and for not more than the following full-time equivalent positions:

..... \$ 168,201

..... FTEs 7.00

Of the moneys appropriated in this subsection, the authority shall allocate \$75,000 for purposes of the Iowa state commission grant program and \$93,201 for purposes of the Iowa's promise and Iowa mentoring partnership programs.

Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

6. COUNCILS OF GOVERNMENTS — ASSISTANCE

There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2017, and ending June 30, 2018, the following amount to be used for the purposes of providing financial assistance to Iowa's councils of governments:

..... \$ 175,000

7. SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS INTERNSHIPS

a. There is appropriated from the Iowa skilled worker and job creation fund created in section 8.75 to the Iowa economic development authority for the fiscal year beginning July 1,

2017, and ending June 30, 2018, the following amount, or so much thereof as is necessary, for the purposes designated:

For the funding of internships for students studying in the fields of science, technology, engineering, and mathematics with eligible Iowa employers as provided in section 15.411, subsection 3, paragraph "c":

..... \$ 1,000,000

b. No more than 3 percent of the moneys appropriated in this subsection may be used by the authority for costs associated with administration of the internship program.

c. Notwithstanding section 8.33, moneys appropriated in this subsection which remain unencumbered or unobligated at the end of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated in subsequent fiscal years.

Sec. 4. LIMITATIONS OF STANDING APPROPRIATIONS — FY 2017-2018. Notwithstanding the standing appropriations in the following designated sections for the fiscal year beginning July 1, 2017, and ending June 30, 2018, the amounts appropriated from the general fund of the state pursuant to these sections for the following purposes shall not exceed the following amounts:

1. For operational support grants and community cultural grants under section 99F.11, subsection 3, paragraph "d", subparagraph (1):

..... \$ 416,702

2. For the purposes of regional tourism marketing under section 99F.11, subsection 3, paragraph "d", subparagraph (2):

..... \$ 900,000

Sec. 5. INSURANCE ECONOMIC DEVELOPMENT. From the moneys collected by the division of insurance in excess of the anticipated gross revenues under section 505.7, subsection 3, during the fiscal year beginning July 1, 2017, \$100,000 shall be transferred to the economic development authority for insurance economic development and international insurance economic development.

Sec. 6. IOWA FINANCE AUTHORITY.

1. There is appropriated from the general fund of the state to the Iowa finance authority for the fiscal year beginning

July 1, 2017, and ending June 30, 2018, the following amount, or so much thereof as is necessary, to be used to provide reimbursement for rent expenses to eligible persons under the rent subsidy program:

..... \$ 658,000

~~2. Participation in the rent subsidy program shall be limited to only those persons who meet the requirements for the nursing facility level of care for home and community-based services waiver services as in effect on July 1, 2017, and to those individuals who are eligible for the federal money follows the person grant program under the medical assistance program.~~

^{TEB} If the Iowa finance authority utilizes a waiting list, the authority shall give priority to a person participating in the state's money follows the person partnership for community integration project who has been assigned to work with a transition specialist. Of the moneys appropriated in this section, not more than \$35,000 may be used for administrative costs.

Sec. 7. IOWA FINANCE AUTHORITY AUDIT. The auditor of state is requested to review the audit of the Iowa finance authority performed by the auditor hired by the authority.

Sec. 8. PUBLIC EMPLOYMENT RELATIONS BOARD.

1. There is appropriated from the general fund of the state to the public employment relations board for the fiscal year beginning July 1, 2017, and ending June 30, 2018, the following amount, or so much thereof as is necessary, for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 1,342,452

..... FTEs 10.00

2. Of the moneys appropriated in this section, the board shall allocate \$15,000 for maintaining an internet site that allows searchable access to a database of collective bargaining information.

Sec. 9. DEPARTMENT OF WORKFORCE DEVELOPMENT. There is appropriated from the general fund of the state to the department of workforce development for the fiscal year

beginning July 1, 2017, and ending June 30, 2018, the following amounts, or so much thereof as is necessary, for the purposes designated:

1. DIVISION OF LABOR SERVICES

a. For the division of labor services, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	3,491,252
.....	FTEs	61.12

b. From the contractor registration fees, the division of labor services shall reimburse the department of inspections and appeals for all costs associated with hearings under chapter 91C, relating to contractor registration.

2. DIVISION OF WORKERS' COMPENSATION

a. For the division of workers' compensation, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	3,259,044
.....	FTEs	27.20

b. The division of workers' compensation shall charge a \$100 filing fee for workers' compensation cases. The filing fee shall be paid by the petitioner of a claim. However, the fee can be taxed as a cost and paid by the losing party, except in cases where it would impose an undue hardship or be unjust under the circumstances. The moneys generated by the filing fee allowed under this subsection are appropriated to the department of workforce development to be used for purposes of administering the division of workers' compensation.

3. WORKFORCE DEVELOPMENT OPERATIONS

a. For the operation of field offices, the workforce development board, and for not more than the following full-time equivalent positions:

.....	\$	7,945,650
.....	FTEs	187.75

b. Of the moneys appropriated in paragraph "a" of this subsection, the department shall allocate \$150,000 to the state library for the purpose of licensing an online resource which prepares persons to succeed in the workplace through programs which improve job skills and vocational test-taking abilities.

4. OFFENDER REENTRY PROGRAM

a. For the development and administration of an offender reentry program to provide offenders with employment skills, and for not more than the following full-time equivalent positions:

.....	\$	287,158
.....	FTEs	4.00

b. The department of workforce development shall partner with the department of corrections to provide staff within the correctional facilities to improve offenders' abilities to find and retain productive employment.

5. INTEGRATED INFORMATION FOR IOWA SYSTEM

For the payment of services provided by the department of administrative services related to the integrated information for Iowa system:

.....	\$	228,822
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6. NONREVERSION

Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 10. GENERAL FUND — EMPLOYEE MISCLASSIFICATION PROGRAM. There is appropriated from the general fund of the state to the department of workforce development for the fiscal year beginning July 1, 2017, and ending June 30, 2018, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For enhancing efforts to investigate employers that misclassify workers and for not more than the following full-time equivalent positions:

.....	\$	429,631
.....	FTEs	5.00

Sec. 11. SPECIAL EMPLOYMENT SECURITY CONTINGENCY FUND.

1. There is appropriated from the special employment security contingency fund to the department of workforce development for the fiscal year beginning July 1, 2017, and ending June 30, 2018, the following amount, or so much thereof as is necessary, to be used for field offices:

..... \$ 1,766,084

2. Any remaining additional penalty and interest revenue collected by the department of workforce development is appropriated to the department for the fiscal year beginning July 1, 2017, and ending June 30, 2018, to accomplish the mission of the department.

Sec. 12. UNEMPLOYMENT COMPENSATION RESERVE FUND — FIELD OFFICES. Notwithstanding section 96.9, subsection 8, paragraph "e", there is appropriated from interest earned on the unemployment compensation reserve fund to the department of workforce development for the fiscal year beginning July 1, 2017, and ending June 30, 2018, the following amount, or so much thereof as is necessary, for the purposes designated:

For the operation of field offices:

..... \$ 1,060,000

Sec. 13. VIRTUAL ACCESS WORKFORCE DEVELOPMENT OFFICES. The department of workforce development shall require a unique identification login for all users of workforce development centers operated through electronic means.

Sec. 14. UNEMPLOYMENT COMPENSATION PROGRAM. Notwithstanding section 96.9, subsection 4, paragraph "a", moneys credited to the state by the secretary of the treasury of the United States pursuant to section 903 of the Social Security Act are appropriated to the department of workforce development and shall be used by the department for the administration of the unemployment compensation program only. This appropriation shall not apply to any fiscal year beginning after December 31, 2017.

Sec. 15. UNEMPLOYMENT INSURANCE SYSTEMS MODERNIZATION — USE OF FUNDS AUTHORIZATION. Incentive payment moneys transferred by the secretary of labor of the United States to the state as a special transfer pursuant to section 2003 of the Assistance for Unemployed Workers and Struggling Families Act, enacted pursuant to Pub. L. No. 111-5, and credited to the unemployment compensation fund established pursuant to section 96.9, are appropriated to the department of workforce development for the fiscal year beginning July 1, 2017, for the purpose of unemployment insurance systems modernization and for the acquisition of programming, software, and equipment

required to provide an administrative system for the Iowa unemployment insurance program, in an amount not to exceed the following amount:

..... \$ 9,600,000

Sec. 16. UNEMPLOYMENT COMPENSATION AND EMPLOYMENT SERVICES PROGRAMS — USE OF FUNDS AUTHORIZATION. Incentive payment moneys transferred by the secretary of labor of the United States to the state as a special transfer pursuant to section 2003 of the Assistance for Unemployed Workers and Struggling Families Act, enacted pursuant to Pub. L. No. 111-5, and credited to the unemployment compensation fund established pursuant to section 96.9, are appropriated to the department of workforce development for the fiscal year beginning July 1, 2017, for the administration of the Iowa employment security law and public employment offices, in an amount not to exceed the following amount:

..... \$ 597,000

Sec. 17. IOWA SKILLED WORKER AND JOB CREATION FUND.

1. There is appropriated from the Iowa skilled worker and job creation fund created in section 8.75 to the following departments, agencies, and institutions for the fiscal year beginning July 1, 2017, and ending June 30, 2018, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. ECONOMIC DEVELOPMENT AUTHORITY

(1) For the purposes of providing assistance under the high quality jobs program as described in section 15.335B:

..... \$ 15,900,000

(2) From the moneys appropriated in this lettered paragraph "a", the economic development authority may use not more than \$1,000,000 for purposes of providing infrastructure grants to mainstreet communities under the main street Iowa program.

(3) As a condition of receiving moneys appropriated in this lettered paragraph "a", an entity shall testify upon the request of the joint appropriations subcommittee on economic development regarding the expenditure of such moneys.

b. STATE BOARD OF REGENTS AND REGENTS INSTITUTIONS

(1) STATE BOARD OF REGENTS. For capacity building infrastructure in areas related to technology

commercialization, marketing and business development efforts in areas related to technology commercialization, entrepreneurship, and business growth, and infrastructure projects and programs needed to assist in implementation of activities under chapter 262B:

..... \$ 3,000,000

Of the moneys appropriated pursuant to this subparagraph (1), 35 percent shall be allocated for Iowa state university of science and technology, 35 percent shall be allocated for the state university of Iowa, and 30 percent shall be allocated for the university of northern Iowa.

(a) The institutions shall provide a one-to-one match of additional moneys for the activities funded with moneys appropriated under this subparagraph (1).

(b) The state board of regents shall annually submit a report by January 15 to the governor, the general assembly, and the legislative services agency regarding the activities, projects, and programs funded with moneys appropriated under this subparagraph (1). The report shall be provided in an electronic format and shall include a list of metrics and criteria mutually agreed to in advance by the board of regents and the economic development authority. The metrics and criteria shall allow the governor's office and the general assembly to quantify and evaluate the progress of the board of regents institutions with regard to their activities, projects, and programs in the areas of technology commercialization, entrepreneurship, regional development, and market research.

(2) IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY. For small business development centers, the science and technology research park, and the center for industrial research and service, and for not more than the following full-time equivalent positions:

..... \$ 2,424,302
..... FTEs 56.63

(a) Of the moneys appropriated in this subparagraph (2), Iowa state university of science and technology shall allocate at least \$735,728 for purposes of funding small business development centers. Iowa state university of science and technology may allocate the appropriated moneys to the various

small business development centers in any manner necessary to achieve the purposes of this subparagraph.

(b) Iowa state university of science and technology shall do all of the following:

(i) Direct expenditures for research toward projects that will provide economic stimulus for Iowa.

(ii) Provide emphasis to providing services to Iowa-based companies.

(c) It is the intent of the general assembly that the industrial incentive program focus on Iowa industrial sectors and seek contributions and in-kind donations from businesses, industrial foundations, and trade associations, and that moneys for the center for industrial research and service industrial incentive program shall be allocated only for projects which are matched by private sector moneys for directed contract research or for nondirected research. The match required of small businesses as defined in section 15.102, subsection 8, for directed contract research or for nondirected research shall be \$1 for each \$3 of state funds. The match required for other businesses for directed contract research or for nondirected research shall be \$1 for each \$1 of state funds. The match required of industrial foundations or trade associations shall be \$1 for each \$1 of state funds.

Iowa state university of science and technology shall report annually to the joint appropriations subcommittee on economic development and the legislative services agency the total amount of private contributions, the proportion of contributions from small businesses and other businesses, and the proportion for directed contract research and nondirected research of benefit to Iowa businesses and industrial sectors.

(3) STATE UNIVERSITY OF IOWA. For the state university of Iowa research park and for the advanced drug development program at the Oakdale research park, including salaries, support, maintenance, equipment, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	209,279
.....	FTEs	6.00

The state university of Iowa shall do all of the following:

(a) Direct expenditures for research toward projects that will provide economic stimulus for Iowa.

(b) Provide emphasis to providing services to Iowa-based companies.

(4) STATE UNIVERSITY OF IOWA. For the purpose of implementing the entrepreneurship and economic growth initiative, and for not more than the following full-time equivalent positions:

.....	\$ 2,000,000
.....	FTEs 8.00

(5) UNIVERSITY OF NORTHERN IOWA. For the metal casting institute, the MyEntreNet internet application, and the institute of decision making, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$ 1,066,419
.....	FTEs 8.12

(a) Of the moneys appropriated pursuant to this subparagraph (5), the university of northern Iowa shall allocate at least \$617,639 for purposes of support of entrepreneurs through the university's center for business growth and innovation and advance Iowa program.

(b) The university of northern Iowa shall do all of the following:

(i) Direct expenditures for research toward projects that will provide economic stimulus for Iowa.

(ii) Provide emphasis to providing services to Iowa-based companies.

(6) As a condition of receiving moneys appropriated in this lettered paragraph "b", an entity shall testify upon the request of the joint appropriations subcommittee on economic development regarding the expenditure of such moneys.

c. DEPARTMENT OF WORKFORCE DEVELOPMENT

To develop a long-term sustained program to train unemployed and underemployed central Iowans with skills necessary to advance to higher-paying jobs with full benefits:

.....	\$ 100,000
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(1) The department of workforce development shall begin a request for proposals process, issued for purposes of this

lettered paragraph "c", no later than September 1, 2017.

(2) As a condition of receiving moneys appropriated under this lettered paragraph "c", an entity shall testify upon the request of the joint appropriations subcommittee on economic development regarding the expenditure of such moneys.

2. Notwithstanding section 8.33, moneys appropriated in this section of this Act that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

DIVISION II
FY 2018-2019

Sec. 18. DEPARTMENT OF CULTURAL AFFAIRS.

1. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions for the department:

.....	\$	84,318
.....	FTEs	56.50

The department of cultural affairs shall coordinate activities with the tourism office of the economic development authority to promote attendance at the state historical building and at this state's historic sites.

Full-time equivalent positions authorized under this paragraph are funded, in full or in part, using moneys appropriated under this paragraph and paragraphs "c" through "g".

b. COMMUNITY CULTURAL GRANTS

For planning and programming for the community cultural grants program established under section 303.3:

.....	\$	86,045
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c. HISTORICAL DIVISION

For the support of the historical division:

.....	\$	1,488,898
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d. HISTORIC SITES

For the administration and support of historic sites:

..... \$ 213,199

e. ARTS DIVISION

For the support of the arts division:

..... \$ 596,094

Of the moneys appropriated in this paragraph, the department shall allocate \$150,000 for purposes of the film office.

f. IOWA GREAT PLACES

For the Iowa great places program established under section 303.3C:

..... \$ 75,000

g. RECORDS CENTER RENT

For payment of rent for the state records center:

..... \$ 113,621

h. CULTURAL TRUST GRANTS

For grant programs administered by the Iowa arts council including but not limited to those programs supporting the long-term financial stability and sustainability of nonprofit cultural organizations:

..... \$ 12,500

2. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 19. GOALS AND ACCOUNTABILITY — ECONOMIC DEVELOPMENT.

1. For the fiscal year beginning July 1, 2018, the goals for the economic development authority shall be to expand and stimulate the state economy, increase the wealth of Iowans, and increase the population of the state.

2. To achieve the goals in subsection 1, the economic development authority shall do all of the following for the fiscal year beginning July 1, 2018:

a. Concentrate its efforts on programs and activities that result in commercially viable products and services.

b. Adopt practices and services consistent with free market, private sector philosophies.

c. Ensure economic growth and development throughout the state.

d. Work with businesses and communities to continually improve the economic development climate along with the economic well-being and quality of life for Iowans.

e. Coordinate with other state agencies to ensure that they are attentive to the needs of an entrepreneurial culture.

f. Establish a strong and aggressive marketing image to showcase Iowa's workforce, existing industry, and potential. A priority shall be placed on recruiting new businesses, business expansion, and retaining existing Iowa businesses. Emphasis shall be placed on entrepreneurial development through helping entrepreneurs secure capital, and developing networks and a business climate conducive to entrepreneurs and small businesses.

g. Encourage the development of communities and quality of life to foster economic growth.

h. Prepare communities for future growth and development through development, expansion, and modernization of infrastructure.

i. Develop public-private partnerships with Iowa businesses in the tourism industry, Iowa tour groups, Iowa tourism organizations, and political subdivisions in this state to assist in the development of advertising efforts.

j. Develop, to the fullest extent possible, cooperative efforts for advertising with contributions from other sources.

Sec. 20. ECONOMIC DEVELOPMENT AUTHORITY.

1. APPROPRIATION

a. There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount, or so much thereof as is necessary, to be used for the purposes designated in this subsection, and for not more than the following full-time equivalent positions:

.....	\$	6,700,000
.....	FTEs	147.45

b. (1) For salaries, support, miscellaneous purposes, programs, marketing, and the maintenance of an administration division, a business development division, a community

development division, a small business development division, and other divisions the authority may organize.

(2) The full-time equivalent positions authorized under this section are funded, in whole or in part, by the moneys appropriated under this subsection or by other moneys received by the authority, including certain federal moneys.

(3) For business development operations and programs, international trade, export assistance, workforce recruitment, and the partner state program.

(4) For transfer to a fund created pursuant to section 15.313 for purposes of financing strategic infrastructure projects.

(5) For community economic development programs, tourism operations, community assistance, plans for Iowa green corps and summer youth programs, the mainstreet and rural mainstreet programs, the school-to-career program, the community development block grant, and housing and shelter-related programs.

(6) For achieving the goals and accountability, and fulfilling the requirements and duties required under this Act.

c. Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated in this subsection until the close of the succeeding fiscal year.

2. FINANCIAL ASSISTANCE RESTRICTIONS

a. A business creating jobs through moneys appropriated in subsection 1 shall be subject to contract provisions requiring new and retained jobs to be filled by individuals who are citizens of the United States who reside within the United States or any person authorized to work in the United States pursuant to federal law, including legal resident aliens in the United States.

b. Any vendor who receives moneys appropriated in subsection 1 shall adhere to such contract provisions and provide periodic assurances as the state shall require that the jobs are filled solely by citizens of the United States who reside within the United States or any person authorized to work in the United States pursuant to federal law, including

legal resident aliens in the United States.

c. A business that receives financial assistance from the authority from moneys appropriated in subsection 1 shall only employ individuals legally authorized to work in this state. In addition to all other applicable penalties provided by current law, all or a portion of the assistance received by a business which is found to knowingly employ individuals not legally authorized to work in this state is subject to recapture by the authority.

3. USES OF APPROPRIATIONS

a. From the moneys appropriated in subsection 1, the authority may provide financial assistance in the form of a grant to a community economic development entity for conducting a local workforce recruitment effort designed to recruit former citizens of the state and former students at colleges and universities in the state to meet the needs of local employers.

b. From the moneys appropriated in subsection 1, the authority may provide financial assistance to early stage industry companies being established by women entrepreneurs.

c. From the moneys appropriated in subsection 1, the authority may provide financial assistance in the form of grants, loans, or forgivable loans for advanced research and commercialization projects involving value-added agriculture, advanced technology, or biotechnology.

d. The authority shall not use any moneys appropriated in subsection 1 for purposes of providing financial assistance for the Iowa green streets pilot project or for any other program or project that involves the installation of geothermal systems for melting snow and ice from streets or sidewalks.

4. WORLD FOOD PRIZE

There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount for the world food prize and in lieu of the standing appropriation in section 15.368:

..... \$ 200,000

5. IOWA COMMISSION ON VOLUNTEER SERVICE

There is appropriated from the general fund of the state to the economic development authority for the fiscal year

beginning July 1, 2018, and ending June 30, 2019, the following amount for allocation to the Iowa commission on volunteer service for purposes of the Iowa state commission grant program, the Iowa's promise and Iowa mentoring partnership programs, and for not more than the following full-time equivalent positions:

.....	\$	84,100
.....	FTEs	7.00

Of the moneys appropriated in this subsection, the authority shall allocate \$37,500 for purposes of the Iowa state commission grant program and \$46,600 for purposes of the Iowa's promise and Iowa mentoring partnership programs.

Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

6. COUNCILS OF GOVERNMENTS — ASSISTANCE

There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount to be used for the purposes of providing financial assistance to Iowa's councils of governments:

.....	\$	87,500
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7. SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS INTERNSHIPS

a. There is appropriated from the Iowa skilled worker and job creation fund created in section 8.75 to the Iowa economic development authority for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount, or so much thereof as is necessary, for the purposes designated:

For the funding of internships for students studying in the fields of science, technology, engineering, and mathematics with eligible Iowa employers as provided in section 15.411, subsection 3, paragraph "c":

.....	\$	500,000
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b. No more than 3 percent of the moneys appropriated in this subsection may be used by the authority for costs associated with administration of the internship program.

c. Notwithstanding section 8.33, moneys appropriated in this subsection which remain unencumbered or unobligated at the end of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated in subsequent fiscal years.

Sec. 21. LIMITATIONS OF STANDING APPROPRIATIONS — FY 2018-2019. Notwithstanding the standing appropriations in the following designated sections for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the amounts appropriated from the general fund of the state pursuant to these sections for the following purposes shall not exceed the following amounts:

1. For operational support grants and community cultural grants under section 99F.11, subsection 3, paragraph "d", subparagraph (1):

..... \$ 208,351

2. For the purposes of regional tourism marketing under section 99F.11, subsection 3, paragraph "d", subparagraph (2):

..... \$ 450,000

Sec. 22. INSURANCE ECONOMIC DEVELOPMENT. From the moneys collected by the division of insurance in excess of the anticipated gross revenues under section 505.7, subsection 3, during the fiscal year beginning July 1, 2018, \$50,000 shall be transferred to the economic development authority for insurance economic development and international insurance economic development.

Sec. 23. IOWA FINANCE AUTHORITY.

1. There is appropriated from the general fund of the state to the Iowa finance authority for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount, or so much thereof as is necessary, to be used to provide reimbursement for rent expenses to eligible persons under the rent subsidy program:

..... \$ 329,000

2. ~~Participation in the rent subsidy program shall be limited to only those persons who meet the requirements for the nursing facility level of care for home and community-based services waiver services as in effect on July 1, 2018, and to those individuals who are eligible for the federal~~

~~money follows the person grant program under the medical assistance program.~~ If the Iowa finance authority utilizes a waiting list, the authority shall give priority to a person participating in the state's money follows the person partnership for community integration project who has been assigned to work with a transition specialist. Of the moneys appropriated in this section, not more than \$17,500 may be used for administrative costs.

Sec. 24. IOWA FINANCE AUTHORITY AUDIT. The auditor of state is requested to review the audit of the Iowa finance authority performed by the auditor hired by the authority.

Sec. 25. PUBLIC EMPLOYMENT RELATIONS BOARD.

1. There is appropriated from the general fund of the state to the public employment relations board for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount, or so much thereof as is necessary, for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	671,226
.....	FTEs	10.00

2. Of the moneys appropriated in this section, the board shall allocate \$7,500 for maintaining an internet site that allows searchable access to a database of collective bargaining information.

Sec. 26. DEPARTMENT OF WORKFORCE DEVELOPMENT. There is appropriated from the general fund of the state to the department of workforce development for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amounts, or so much thereof as is necessary, for the purposes designated:

1. DIVISION OF LABOR SERVICES

a. For the division of labor services, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	1,745,626
.....	FTEs	61.12

b. From the contractor registration fees, the division of

labor services shall reimburse the department of inspections and appeals for all costs associated with hearings under chapter 91C, relating to contractor registration.

2. DIVISION OF WORKERS' COMPENSATION

a. For the division of workers' compensation, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	1,629,522
.....	FTEs	27.20

b. The division of workers' compensation shall charge a \$100 filing fee for workers' compensation cases. The filing fee shall be paid by the petitioner of a claim. However, the fee can be taxed as a cost and paid by the losing party, except in cases where it would impose an undue hardship or be unjust under the circumstances. The moneys generated by the filing fee allowed under this subsection are appropriated to the department of workforce development to be used for purposes of administering the division of workers' compensation.

3. WORKFORCE DEVELOPMENT OPERATIONS

a. For the operation of field offices, the workforce development board, and for not more than the following full-time equivalent positions:

.....	\$	3,972,825
.....	FTEs	187.75

b. Of the moneys appropriated in paragraph "a" of this subsection, the department shall allocate \$75,000 to the state library for the purpose of licensing an online resource which prepares persons to succeed in the workplace through programs which improve job skills and vocational test-taking abilities.

4. OFFENDER REENTRY PROGRAM

a. For the development and administration of an offender reentry program to provide offenders with employment skills, and for not more than the following full-time equivalent positions:

.....	\$	143,579
.....	FTEs	4.00

b. The department of workforce development shall partner with the department of corrections to provide staff within the correctional facilities to improve offenders' abilities to find

and retain productive employment.

5. INTEGRATED INFORMATION FOR IOWA SYSTEM

For the payment of services provided by the department of administrative services related to the integrated information for Iowa system:

..... \$ 114,411

6. NONREVERSION

Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 27. GENERAL FUND — EMPLOYEE MISCLASSIFICATION PROGRAM. There is appropriated from the general fund of the state to the department of workforce development for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For enhancing efforts to investigate employers that misclassify workers and for not more than the following full-time equivalent positions:
..... \$ 214,815
..... FTEs 5.00

Sec. 28. SPECIAL EMPLOYMENT SECURITY CONTINGENCY FUND.

1. There is appropriated from the special employment security contingency fund to the department of workforce development for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount, or so much thereof as is necessary, to be used for field offices:

..... \$ 883,042

2. Any remaining additional penalty and interest revenue collected by the department of workforce development is appropriated to the department for the fiscal year beginning July 1, 2018, and ending June 30, 2019, to accomplish the mission of the department.

Sec. 29. UNEMPLOYMENT COMPENSATION RESERVE FUND — FIELD OFFICES. Notwithstanding section 96.9, subsection 8, paragraph "e", there is appropriated from interest earned on the unemployment compensation reserve fund to the department

of workforce development for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount, or so much thereof as is necessary, for the purposes designated:

For the operation of field offices:

..... \$ 530,000

Sec. 30. VIRTUAL ACCESS WORKFORCE DEVELOPMENT OFFICES. The department of workforce development shall require a unique identification login for all users of workforce development centers operated through electronic means.

Sec. 31. UNEMPLOYMENT COMPENSATION PROGRAM. Notwithstanding section 96.9, subsection 4, paragraph "a", moneys credited to the state by the secretary of the treasury of the United States pursuant to section 903 of the Social Security Act are appropriated to the department of workforce development and shall be used by the department for the administration of the unemployment compensation program only. This appropriation shall not apply to any fiscal year beginning after December 31, 2018.

Sec. 32. IOWA SKILLED WORKER AND JOB CREATION FUND.

1. There is appropriated from the Iowa skilled worker and job creation fund created in section 8.75 to the following departments, agencies, and institutions for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. ECONOMIC DEVELOPMENT AUTHORITY

(1) For the purposes of providing assistance under the high quality jobs program as described in section 15.335B:

..... \$ 7,950,000

(2) From the moneys appropriated in this lettered paragraph "a", the economic development authority may use not more than \$500,000 for purposes of providing infrastructure grants to mainstreet communities under the main street Iowa program.

(3) As a condition of receiving moneys appropriated in this lettered paragraph "a", an entity shall testify upon the request of the joint appropriations subcommittee on economic development regarding the expenditure of such moneys.

b. STATE BOARD OF REGENTS AND REGENTS INSTITUTIONS

(1) STATE BOARD OF REGENTS. For capacity

building infrastructure in areas related to technology commercialization, marketing and business development efforts in areas related to technology commercialization, entrepreneurship, and business growth, and infrastructure projects and programs needed to assist in implementation of activities under chapter 262B:

..... \$ 1,500,000

Of the moneys appropriated pursuant to this subparagraph (1), 35 percent shall be allocated for Iowa state university of science and technology, 35 percent shall be allocated for the state university of Iowa, and 30 percent shall be allocated for the university of northern Iowa.

(a) The institutions shall provide a one-to-one match of additional moneys for the activities funded with moneys appropriated under this subparagraph (1).

(b) The state board of regents shall annually submit a report by January 15 to the governor, the general assembly, and the legislative services agency regarding the activities, projects, and programs funded with moneys appropriated under this subparagraph (1). The report shall be provided in an electronic format and shall include a list of metrics and criteria mutually agreed to in advance by the board of regents and the economic development authority. The metrics and criteria shall allow the governor's office and the general assembly to quantify and evaluate the progress of the board of regents institutions with regard to their activities, projects, and programs in the areas of technology commercialization, entrepreneurship, regional development, and market research.

(2) IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY. For small business development centers, the science and technology research park, and the center for industrial research and service, and for not more than the following full-time equivalent positions:

..... \$ 1,212,151
..... FTEs 56.63

(a) Of the moneys appropriated in this subparagraph (2), Iowa state university of science and technology shall allocate at least \$367,864 for purposes of funding small business development centers. Iowa state university of science and

technology may allocate the appropriated moneys to the various small business development centers in any manner necessary to achieve the purposes of this subparagraph.

(b) Iowa state university of science and technology shall do all of the following:

(i) Direct expenditures for research toward projects that will provide economic stimulus for Iowa.

(ii) Provide emphasis to providing services to Iowa-based companies.

(c) It is the intent of the general assembly that the industrial incentive program focus on Iowa industrial sectors and seek contributions and in-kind donations from businesses, industrial foundations, and trade associations, and that moneys for the center for industrial research and service industrial incentive program shall be allocated only for projects which are matched by private sector moneys for directed contract research or for nondirected research. The match required of small businesses as defined in section 15.102, subsection 8, for directed contract research or for nondirected research shall be \$1 for each \$3 of state funds. The match required for other businesses for directed contract research or for nondirected research shall be \$1 for each \$1 of state funds. The match required of industrial foundations or trade associations shall be \$1 for each \$1 of state funds.

Iowa state university of science and technology shall report annually to the joint appropriations subcommittee on economic development and the legislative services agency the total amount of private contributions, the proportion of contributions from small businesses and other businesses, and the proportion for directed contract research and nondirected research of benefit to Iowa businesses and industrial sectors.

(3) STATE UNIVERSITY OF IOWA. For the state university of Iowa research park and for the advanced drug development program at the Oakdale research park, including salaries, support, maintenance, equipment, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	104,639
.....	FTEs	6.00

The state university of Iowa shall do all of the following:

(a) Direct expenditures for research toward projects that will provide economic stimulus for Iowa.

(b) Provide emphasis to providing services to Iowa-based companies.

(4) STATE UNIVERSITY OF IOWA. For the purpose of implementing the entrepreneurship and economic growth initiative, and for not more than the following full-time equivalent positions:

.....	\$	1,000,000
.....	FTEs	8.00

(5) UNIVERSITY OF NORTHERN IOWA. For the metal casting institute, the MyEntreNet internet application, and the institute of decision making, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	533,209
.....	FTEs	8.12

(a) Of the moneys appropriated pursuant to this subparagraph (5), the university of northern Iowa shall allocate at least \$308,819 for purposes of support of entrepreneurs through the university's center for business growth and innovation and advance Iowa program.

(b) The university of northern Iowa shall do all of the following:

(i) Direct expenditures for research toward projects that will provide economic stimulus for Iowa.

(ii) Provide emphasis to providing services to Iowa-based companies.

(6) As a condition of receiving moneys appropriated in this lettered paragraph "b", an entity shall testify upon the request of the joint appropriations subcommittee on economic development regarding the expenditure of such moneys.

c. DEPARTMENT OF WORKFORCE DEVELOPMENT

To develop a long-term sustained program to train unemployed and underemployed central Iowans with skills necessary to advance to higher-paying jobs with full benefits:

.....	\$	50,000
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(1) The department of workforce development shall begin

a request for proposals process, issued for purposes of this lettered paragraph "c", no later than September 1, 2018.

(2) As a condition of receiving moneys appropriated under this lettered paragraph "c", an entity shall testify upon the request of the joint appropriations subcommittee on economic development regarding the expenditure of such moneys.

2. Notwithstanding section 8.33, moneys appropriated in this section of this Act that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

DIVISION III

PUBLIC EMPLOYMENT RELATIONS BOARD — COSTS AND FEES

Sec. 33. NEW SECTION. 20.33 Retention of costs and fees.

1. All moneys paid in advance by the board and subsequently taxed as a cost to a party or parties pursuant to section 20.6, subsection 6, and section 20.11, subsection 3, shall, when reimbursed by the party or parties taxed under those sections, be retained by the board as repayment receipts and used exclusively to offset the cost of the certified shorthand reporter reporting the proceeding and of any transcript requested by the board.

2. All fees established and collected by the board pursuant to section 20.6, subsection 7, shall be retained by the board as repayment receipts and used exclusively for the purpose of covering the cost of elections required pursuant to section 20.15, including payment for the services of any vendor retained by the board to conduct or assist in the conduct of such an election.

DIVISION IV

IOWA ENERGY CENTER

Sec. 34. Section 15.108, subsection 9, Code 2017, is amended by adding the following new paragraph:

NEW PARAGRAPH. *g.* Administer the Iowa energy center established in section 15.120. This paragraph "g" is repealed July 1, 2022.

Sec. 35. NEW SECTION. 15.120 The Iowa energy center.

1. The Iowa energy center is established within the authority with the following purposes:

a. To expand workforce and career opportunities for workers in the energy sector to ensure that the state is able to attract and train professionals to meet the state's future energy needs.

b. To support technology-based development by encouraging public-private partnerships and innovative manufacturers to develop and bring to market new energy technologies.

c. To support rural and underserved areas and vulnerable populations by creating opportunities for greater access to energy efficiency expertise, training, programs, and cyber security preparedness for small utilities.

d. To support the expansion of natural gas infrastructure to rural and underserved areas of the state where the absence is a limiting factor to economic development.

e. To promote and fund research, development, and commercialization of biomass technology to benefit the state economically and environmentally by further realizing the value-added attributes of biomass in the development of bioenergy, biofuels, and biochemicals.

f. To encourage growth of the alternative fuel vehicle market, particularly for electric vehicles, and the infrastructure necessary to support the market.

g. To support efforts to modernize the electric grid infrastructure of the state to support increased capacity and new technologies.

2. *a.* A governing board is established consisting of the following members appointed by the governor:

(1) One member representing Iowa state university of science and technology, in consultation with the president of that university.

(2) One member representing the university of Iowa, in consultation with the president of that university.

(3) One member representing the university of northern Iowa, in consultation with the president of that university.

(4) One member representing private colleges and universities within the state, in consultation with the Iowa association of independent colleges and universities.

(5) One member representing community colleges, in consultation with the Iowa association of community college

trustees.

(6) One member representing the economic development authority, in consultation with the director of the economic development authority.

(7) One member representing the state department of transportation, in consultation with the director of the department of transportation.

(8) One member representing the office of consumer advocate, in consultation with the consumer advocate.

(9) One member representing the utilities board, in consultation with the chair of the utilities board.

(10) One member representing rural electric cooperatives, in consultation with the Iowa association of electric cooperatives.

(11) One member representing municipal utilities, in consultation with the Iowa association of municipal utilities.

(12) Two members representing investor-owned utilities, one representing gas utilities, and one representing electric utilities, in consultation with the Iowa utility association.

b. The terms of the members shall begin and end as provided in section 69.19 and any vacancy shall be filled by the governor as provided for in this subsection. The terms shall be for four years and shall be staggered as determined by the director of the economic development authority.

c. The board shall oversee, approve, and provide direction concerning the programs established by the center and shall coordinate with the center and the director of the authority for the implementation of such programs. In overseeing the center and its programs, the board shall ensure that all ratepayer moneys remitted by the utilities board pursuant to section 476.10A are expended on programs and projects designed to provide benefits to gas and electric utility ratepayers.

d. The deliberations or meetings of the governing board shall be conducted in accordance with chapter 21.

e. The board, in consultation with center staff, shall adopt rules for the administration of the center and its programs pursuant to chapter 17A.

3. *a.* The center shall employ necessary support staff. The center staff shall be employees of the authority. Moneys

appropriated to the center shall be used to sponsor grants and projects submitted on a competitive basis by Iowa businesses, colleges and universities, and private nonprofit agencies and foundations, and for the salaries and benefits of the employees of the center. The center may also solicit additional grants and funding from public and private nonprofit agencies and foundations.

b. The center shall prepare an annual report in coordination with the authority. The center shall submit the report to the general assembly and the legislative services agency by January 15 of each year.

4. The governing board shall oversee the center in the development of a budget, on the policies and procedures of the center, in the funding of grant proposals, and in matters relating to program planning and review. The center's annual budget shall be approved by the board.

5. This section is repealed July 1, 2022.

Sec. 36. Section 476.1A, subsection 1, paragraph e, Code 2017, is amended to read as follows:

e. Assessment of fees for the support of the Iowa energy center created in section ~~266.39C~~ 15.120 and the center for global and regional environmental research established by the state board of regents. This paragraph "e" is repealed July 1, 2022.

Sec. 37. Section 476.1B, subsection 1, paragraph k, Code 2017, is amended to read as follows:

k. Assessment of fees for the support of the Iowa energy center created in section ~~266.39C~~ 15.120 and the center for global and regional environmental research created by the state board of regents. This paragraph "k" is repealed July 1, 2022.

Sec. 38. Section 476.1C, subsection 1, paragraph b, Code 2017, is amended to read as follows:

b. Shall be subject to the assessment of fees for the support of the Iowa energy center created in section ~~266.39C~~ 15.120 and the center for global and regional environmental research created by the state board of regents ~~and shall file energy efficiency plans and energy efficiency results with the board. The energy efficiency plans as a whole shall be cost-effective. The board may waive all or part of the energy~~

~~efficiency filing requirements if the gas utility demonstrates superior results with existing energy efficiency efforts. This paragraph "b" is repealed July 1, 2022.~~

Sec. 39. Section 476.1C, subsection 1, Code 2017, is amended by adding the following new paragraph:

NEW PARAGRAPH. *0c.* Shall file energy efficiency plans and energy efficiency results with the board. The energy efficiency plans as a whole shall be cost-effective. The board may waive all or part of the energy efficiency filing requirements if the gas utility demonstrates superior results with existing energy efficiency efforts.

Sec. 40. Section 476.10A, subsection 1, paragraph c, subparagraph (1), Code 2017, is amended to read as follows:

(1) Eighty-five percent of the remittances collected pursuant to this section is appropriated to the Iowa energy center created in section ~~266.39C~~ 15.120.

Sec. 41. Section 476.10A, Code 2017, is amended by adding the following new subsection:

NEW SUBSECTION. 4. This section is repealed July 1, 2022.

Sec. 42. Section 476.46, subsection 1, Code 2017, is amended to read as follows:

1. The Iowa energy center created under section ~~266.39C~~ 15.120 shall establish and administer an alternate energy revolving loan program to encourage the development of alternate energy production facilities and small hydro facilities within the state.

Sec. 43. Section 476.46, subsection 3, Code 2017, is amended by striking the subsection.

Sec. 44. Section 478.29, unnumbered paragraph 1, Code 2017, is amended to read as follows:

A person who violates a provision of this chapter is subject to a civil penalty, which may be levied by the board, of not more than one hundred dollars per violation or one thousand dollars per day of a continuing violation, whichever is greater. Civil penalties collected pursuant to this section shall be forwarded by the executive secretary of the board to the treasurer of state to be credited to ~~the Iowa energy center created in section 266.39C~~ the general fund of the state and appropriated to the division of community action agencies

of the department of human rights for purposes of the low income home energy assistance program and the weatherization assistance program.

Sec. 45. Section 479.31, subsection 1, Code 2017, is amended to read as follows:

1. A person who violates this chapter or any rule or order issued pursuant to this chapter shall be subject to a civil penalty levied by the board not to exceed one hundred thousand dollars for each violation. Each day that the violation continues shall constitute a separate offense. However, the maximum civil penalty shall not exceed one million dollars for any related series of violations. Civil penalties collected pursuant to this section shall be ~~credited to and are appropriated for the Iowa energy center created in section 266.39C~~ forwarded by the executive secretary of the board to the treasurer of state to be credited to the general fund of the state and appropriated to the division of community action agencies of the department of human rights for purposes of the low income home energy assistance program and the weatherization assistance program.

Sec. 46. Section 479B.21, unnumbered paragraph 1, Code 2017, is amended to read as follows:

A person who violates this chapter or any rule or order issued pursuant to this chapter shall be subject to a civil penalty levied by the board in an amount not to exceed one thousand dollars for each violation. Each day that the violation continues shall constitute a separate offense. However, the maximum civil penalty shall not exceed two hundred thousand dollars for any related series of violations. Civil penalties collected pursuant to this section shall be ~~credited to and are appropriated for the use of the Iowa energy center created in section 266.39C~~ forwarded by the executive secretary of the board to the treasurer of state to be credited to the general fund of the state and appropriated to the division of community action agencies of the department of human rights for purposes of the low income home energy assistance program and the weatherization assistance program.

Sec. 47. REPEAL. Section 266.39C, Code 2017, is repealed.

Sec. 48. TRANSITION PROVISIONS.

1. Any moneys remaining in any account or fund under the control of Iowa state university of science and technology on the effective date of this division of this Act that were appropriated to the Iowa energy center, including moneys appropriated pursuant to section 476.10A, section 476.46, section 478.29, section 479.31, or section 479B.21, shall, as directed by the economic development authority, be transferred to a comparable fund or account under the control of the economic development authority for such purposes. Notwithstanding section 8.33, the moneys transferred in accordance with this subsection shall not revert to the account or fund from which appropriated or transferred and shall be retained for the designated purposes.


2. Grants, loans, scholarships, and other financial commitments pledged or awarded by the Iowa energy center or by Iowa state university of science and technology on behalf of the Iowa energy center prior to the effective date of this division of this Act shall continue as provided by the terms of the grants, loans, scholarships, or other financial commitments and shall be administered by the Iowa economic development authority. Moneys received from any future repayments or recaptures, or other moneys derived from these commitments, after the effective date of this division of this Act shall be credited to a fund or account under the control of the economic development authority as directed by the economic development authority. Contracts for the procurement of goods and services, leases, and facility use agreements entered into by the Iowa energy center or by Iowa state university of science and technology on behalf of the Iowa energy center shall not be transferred to the economic development authority and shall be assumed by Iowa state university of science and technology.

3. Title to real and personal property procured by the Iowa energy center or by the Iowa state university of science and technology on behalf of the Iowa energy center prior to the effective date of this division of this Act shall remain with or be assumed by Iowa state university of science and technology, except that ownership of real or personal property pledged as collateral on existing loans shall be transferred to the economic development authority.

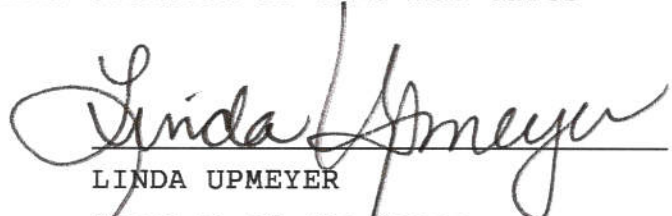
4. Staff of the Iowa energy center employed by Iowa state university of science and technology shall not become employees of the economic development authority upon the effective date of this division of this Act.

5. The economic development authority and the Iowa state university of science and technology shall collaborate their efforts in transitioning the Iowa energy center to the economic development authority.

Sec. 49. EFFECTIVE DATE. This division of this Act takes effect October 1, 2017.




JACK WHITVER
President of the Senate



LINDA UPMEYER
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 513, Eighty-seventh General Assembly.



W. CHARLES SMITHSON
Secretary of the Senate

Approved May 12, 2017
with exceptions noted.



TERRY E. BRANSTAD
Governor