

Senate File 603 - Enrolled

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AN ACT

RELATING TO WORKFORCE COMPENSATION AND TRAINING, UNEMPLOYMENT INSURANCE, AND OTHER FUNCTIONS AND PROGRAMS OF THE DEPARTMENT OF WORKFORCE DEVELOPMENT, THE WORKFORCE DEVELOPMENT BOARD, AND LOCAL GOVERNMENT ENTITIES, AND INCLUDING EFFECTIVE DATE PROVISIONS.

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

DIVISION I

FUNCTIONS OF DEPARTMENT OF WORKFORCE DEVELOPMENT, WORKFORCE DEVELOPMENT BOARD, AND LOCAL WORKFORCE DEVELOPMENT BOARDS

Section 1. Section 15H.9, subsection 2, Code 2025, is amended to read as follows:

2. The commission may adopt rules pursuant to chapter 17A for approving Iowa national service corps programs and national service positions. Existing programs and service positions, including those established through the AmeriCorps programs in Iowa created pursuant to 42 U.S.C. §12501, Senior Corps and AmeriCorps vista in Iowa created pursuant to 42 U.S.C. §4950 et seq., the Iowa summer youth corps program created pursuant to section 15H.5, the Iowa green corps program created pursuant to section 15H.6, the Iowa reading corps program created pursuant to section 15H.7, and the RefugeeRISE AmeriCorps program created pursuant to section 15H.8, ~~and the Iowa conservation corps created pursuant to section 84A.7,~~ are part of the Iowa national service corps programs and national service positions.

Sec. 2. Section 84A.1, subsection 1, Code 2025, is amended to read as follows:

1. The department of workforce development is created to administer the laws of this state relating to unemployment compensation insurance, and job placement and training, ~~employment safety, labor standards, and workers' compensation.~~

Sec. 3. Section 84A.1A, subsection 6, Code 2025, is amended by striking the subsection and inserting in lieu thereof the following:

6. The workforce development board may establish standing committees of the board in the bylaws of the board.

Sec. 4. Section 84A.1A, subsection 7, paragraph a, Code 2025, is amended by striking the paragraph and inserting in lieu thereof the following:

a. All documents required by current federal workforce rules and regulations.

Sec. 5. Section 84A.1B, unnumbered paragraph 1, Code 2025, is amended to read as follows:

~~The~~ In addition to the duties outlined in current federal workforce rules and regulations, the workforce development board shall do ~~all of~~ the following:

Sec. 6. Section 84A.1B, subsections 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, and 15, Code 2025, are amended by striking the subsections.

Sec. 7. Section 84A.1B, subsection 13, Code 2025, is amended by striking the subsection and inserting in lieu thereof the following:

13. Assist the governor in the designation of local workforce development areas or regions as outlined in current federal workforce rules and regulations.

Sec. 8. Section 84A.3, Code 2025, is amended by striking the section and inserting in lieu thereof the following:

84A.3 Local workforce development plans.

1. A local workforce development board shall, in partnership with the chief elected official, develop a local workforce development plan in accordance with current federal workforce laws, rules, and regulations. The local workforce development board shall submit the workforce development plan to the department of workforce development for review and approval in the manner and form determined by the department.

2. All local workforce plan modifications shall be submitted to the department of workforce development for review and approval in the manner and form determined by the department. Modifications to the local workforce development plan must be developed in accordance with current federal workforce laws, rules, and regulations.

3. The local workforce development plan and modifications shall include the contents required by current federal workforce laws, rules, and regulations, and such other information as the department of workforce development or the state workforce development board may require.

Sec. 9. Section 84A.5, subsection 1, paragraph a, Code 2025, is amended to read as follows:

a. The workforce development system shall strive to provide high quality services to its customers including workers, families, and businesses. The department of workforce development shall maintain a common intake, assessment, and customer tracking system and to the extent practical provide one-stop services to customers at workforce development centers and other service access points. ~~The department of workforce development shall administer a statewide standard skills assessment to assess the employability skills of adult workers statewide and shall instruct appropriate department staff in the administration of the assessment. The assessment shall be included in the one-stop services provided to customers at workforce development centers and other service access points throughout the state.~~

Sec. 10. Section 84A.5, subsection 5, paragraphs a, b, and c, Code 2025, are amended by striking the paragraphs.

Sec. 11. Section 84A.5, subsection 7, Code 2025, is amended by striking the subsection.

Sec. 12. Section 84A.5, subsection 10, Code 2025, is amended to read as follows:

10. ~~The department of education, in collaboration with the department of workforce development,~~ is responsible for the development and oversight of industry and sector partnerships in the state.

Sec. 13. Section 84A.6, subsection 4, Code 2025, is amended by striking the subsection.

Sec. 14. Section 97B.1A, subsection 8, paragraph b,

subparagraph (8), Code 2025, is amended by striking the subparagraph.

Sec. 15. Section 256.228, subsection 4, paragraph d, Code 2025, is amended by striking the paragraph and inserting in lieu thereof the following:

d. In collaboration with the department of workforce development and the department of education, compile an annual report, in an aggregate form to protect the confidentiality of each eligible program's participants, that includes the number of students receiving scholarships under this section, the number of students receiving grants under section 256.229, the number of scholarship and grant recipients completing a program of study or major annually and in the prescribed time frame under this section or section 256.229, the number of eligible institutions participating in the scholarship and grant programs established under this section or section 256.229, the number of written agreements entered into by the volunteer mentor program under section 15H.10, statistics on employment outcomes for future ready Iowa skilled workforce last-dollar scholarship and future ready Iowa skilled workforce grant program participants by industry, and other data as may be deemed pertinent by the commission, the department of workforce development, or the department of education. The commission shall submit the report to the governor and the general assembly annually by January 15.

Sec. 16. Section 256.229, subsection 4, paragraph d, Code 2025, is amended to read as follows:

d. ~~Transmit to the department of workforce development~~ Use the compilation of information, data, and statistics submitted in accordance with subsection 1, paragraph "c", subparagraph (6), ~~for to compile the annual report required under section 84A.1B~~ 256.228, subsection 4, paragraph "d".

Sec. 17. REPEAL. Sections 84A.7, 84A.8, 84A.9, 84A.10, and 84A.11, Code 2025, are repealed.

DIVISION II

UNEMPLOYMENT INSURANCE — TAXABLE WAGES

Sec. 18. Section 96.1A, subsection 36, unnumbered paragraph 1, Code 2025, is amended to read as follows:

"Taxable wages" means an amount of wages upon which an employer is required to contribute based upon wages ~~which~~ that have been paid in this state during a calendar year to an

individual by an employer or the employer's predecessor, ~~in this state or another state which extends a like comity to this state, with respect to employment,~~ upon which the employer is required to contribute, which equals the greater of the following:

DIVISION III

STATE AND LOCAL GOVERNMENT EMPLOYEES AND CONTRACTORS —
COMPENSATION AND TRAINING

Sec. 19. NEW SECTION. **84D.8 Scope of chapter — limitations.**

1. The provisions of this chapter shall be applicable and uniform throughout this state and in all political subdivisions therein.

2. Unless expressly required by state law, the use of apprenticeship training shall be voluntary and shall not be mandated by any state agency or political subdivision.

3. A political subdivision shall not impose additional restrictions, qualifications, or requirements on developers, contractors, subcontractors, or apprentices relating to apprenticeship training beyond those expressly authorized in this chapter or other provisions of state law. A political subdivision shall not make receipt of any incentives, or the eligibility for such incentives, contingent upon compliance with any such restrictions, qualifications, or requirements.

Sec. 20. Section 274.3, subsection 2, Code 2025, is amended by adding the following new paragraph:

NEW PARAGRAPH. *d.* Adopt or enforce a policy that imposes restrictions, qualifications, or requirements on developers, contractors, or subcontractors related to a developer's or contractor's employee compensation or training beyond what is expressly authorized by state law.

Sec. 21. Section 331.301, Code 2025, is amended by adding the following new subsection:

NEW SUBSECTION. 27. A county shall not adopt or enforce an ordinance, motion, resolution, or amendment that imposes restrictions, qualifications, or requirements on developers, contractors, or subcontractors related to a developer's or contractor's employee compensation or training beyond what is expressly authorized by state law. A county shall not make receipt of any incentives, or the eligibility for such incentives, contingent upon compliance with any such

restrictions, qualifications, or requirements.

Sec. 22. Section 364.3, Code 2025, is amended by adding the following new subsection:

NEW SUBSECTION. 20. A city shall not adopt or enforce an ordinance, motion, resolution, or amendment that imposes restrictions, qualifications, or requirements on developers, contractors, or subcontractors related to a developer's or contractor's employee compensation or training beyond what is expressly authorized by state law. A city shall not make receipt of any incentives, or the eligibility for such incentives, contingent upon compliance with any such restrictions, qualifications, or requirements.

Sec. 23. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

AMY SINCLAIR
President of the Senate

PAT GRASSLEY
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 603, Ninety-first General Assembly.

W. CHARLES SMITHSON
Secretary of the Senate

Approved _____, 2025

KIM REYNOLDS
Governor