

*Reprinted 4/26/83*

Finance: Doderer, Chair; Halvorson of Webster and Krewson.

*Do Pass 4/19/83*

APR 14 1983

FINANCE

HOUSE FILE 623

BY COMMITTEE ON WAYS AND MEANS

(Formerly Study Bill 330)

Passed House, Date 4-21-83 (R. 1522) Passed Senate, Date \_\_\_\_\_

Vote: Ayes 97 Nays 0 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved May 27, 1983

### A BILL FOR

1 An Act to establish an Iowa industrial new jobs training  
2 program.

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

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HF 623

1 Section 1. NEW SECTION. TITLE. This Act shall be known  
2 and may be cited as the Iowa industrial new jobs training  
3 Act.

4 Sec. 2. NEW SECTION. DEFINITIONS. When used in this  
5 Act, unless the context otherwise requires:

6 1. "New jobs training program" or "program" means the  
7 project or projects established by an area community college  
8 for the creation of jobs by providing education and training  
9 of workers for new jobs for new or expanding industry in the  
10 merged area served by the area community college.

11 2. "Project" means a training arrangement which is the  
12 subject of an agreement entered into between the area community  
13 college and an employer to provide program services.

14 3. "Program services" includes but is not limited to the  
15 following:

- 16 a. New jobs training.
- 17 b. Adult basic education and job-related instruction.
- 18 c. Vocational and skill-assessment services and testing.
- 19 d. Training facilities, equipment, materials, and supplies.
- 20 e. On-the-job training.
- 21 f. Administrative expenses for the new jobs training  
22 program.
- 23 g. Subcontracted services with institutions governed by  
24 the board of regents, private colleges or universities, or  
25 other federal, state, or local agencies.
- 26 h. Contracted or professional services.
- 27 i. Issuance of certificates.

28 4. "Program costs" means all necessary and incidental  
29 costs of providing program services.

30 5. "Employer" means the person providing new jobs in the  
31 merged area served by the area community college and entering  
32 into an agreement.

33 6. "Employee" means the person employed in a new job.

34 7. "Agreement" is the agreement between an employer and  
35 an area community college concerning a project.

1 8. "Area community college" means a community college  
2 established under chapter 280A.

3 9. "Board of directors" means the board of directors of  
4 an area community college.

5 10. "Incremental property taxes" means the taxes as  
6 provided in section 4 of this Act.

7 11. "New jobs credit from withholding" means the credit  
8 as provided in section 5 of this Act.

9 12. "Date of commencement of the project" means the date  
10 of the agreement.

11 13. "Certificate" means industrial new jobs training  
12 certificates issued pursuant to section 6 of this Act.

13 14. "Industry" means a business engaged in interstate  
14 or intrastate commerce for the purpose of manufacturing,  
15 processing, or assembling products, conducting research and  
16 development, or providing services in interstate commerce,  
17 but excludes retail, health, or professional services.

18 "Industry" does not include a business which closes or  
19 substantially reduces its operation in one area of the state  
20 of Iowa and relocates substantially the same operation in  
21 another area of the state of Iowa. This subsection does not  
22 prohibit a business from expanding its operations in another  
23 area of the state provided that existing operations of a  
24 similar nature are not closed or substantially reduced.

25 15. "New job" means a job in a new or expanding industry  
26 but does not include jobs of recalled workers, or replacement  
27 jobs or other jobs that formerly existed in the industry in  
28 the state of Iowa.

29 Sec. 3. NEW SECTION. AGREEMENT. An area community college  
30 may enter into an agreement to establish a project. If an  
31 agreement is entered into, the area community college and  
32 the employer shall notify the department of revenue as soon  
33 as possible. An agreement may provide, but is not limited  
34 to:

35 1. Program costs, including deferred costs, may be paid

1 from one or a combination of the following sources:

2 a. Incremental property taxes to be received or derived  
3 from an employer's business property where new jobs are created  
4 as a result of the project.

5 b. New jobs credit from withholding to be received or  
6 derived from new employment resulting from the project.

7 c. Tuition, student fees, or special charges fixed by  
8 the board of directors to defray program costs in whole or  
9 in part.

10 d. Guarantee of payments to be received under paragraph  
11 a, b, or c.

12 2. Payment of program costs shall not be deferred for  
13 a period longer than ten years from the date of commencement  
14 of the project.

15 3. Costs of on-the-job training for employees shall not  
16 exceed fifty percent of the annual gross payroll costs for  
17 one year of the new jobs. For purposes of this subsection,  
18 "gross payroll" is the gross wages, salaries, and benefits  
19 for the jobs in training in the project.

20 4. A provision which fixes the minimum amount of  
21 incremental property taxes, new jobs credit from withholding,  
22 or tuition and fee payments which shall be paid for program  
23 costs.

24 5. Any payments required to be made by an employer are  
25 a lien upon the employer's business property until paid and  
26 have equal precedence with ordinary taxes and shall not be  
27 divested by a judicial sale. Property subject to the lien  
28 may be sold for sums due and delinquent at a tax sale, with  
29 the same forfeitures, penalties, and consequences as for the  
30 nonpayment of ordinary taxes. The purchaser at tax sale  
31 obtains the property subject to the remaining payments.

32 Sec. 4. NEW SECTION. INCREMENTAL PROPERTY TAXES. If  
33 an agreement provides that all or part of program costs are  
34 to be paid for by incremental property taxes, the board of  
35 directors shall provide by resolution that taxes levied on

1 the employer's taxable business property, where new jobs are  
2 created as a result of a project, each year by or for the  
3 benefit of the state, city, county, school district, or other  
4 taxing district after the effective date of the resolution  
5 shall be divided as provided in section 403.19, subsections  
6 1 and 2, in the same manner as if the employer's business  
7 property, where new jobs are created as a result of a project,  
8 was taxable property in an urban renewal project and the  
9 resolution was an ordinance within the meaning of those  
10 subsections. The taxes received by the board of directors  
11 shall be allocated to and when collected be paid into a special  
12 fund of the area community college and may be irrevocably  
13 pledged by the area community college to pay the principal  
14 of and interest on the certificates issued by the area  
15 community college to finance or refinance, in whole or in  
16 part, the project. However, with respect to any urban renewal  
17 project as to which an ordinance is in effect under section  
18 403.19, the collection of incremental property taxes authorized  
19 by this Act are suspended in favor of collection of incremental  
20 taxes under section 403.19. As used in this section, "taxes"  
21 includes, but is not limited to, all levies on an ad valorem  
22 basis upon land or real property of the employer's business,  
23 where new jobs are created as a result of a project.

24 Sec. 5. NEW SECTION. NEW JOBS CREDIT FROM WITHHOLDING.

25 If an agreement provides that all or part of program costs  
26 are to be met by receipt of new jobs credit from withholding,  
27 it shall be done as follows:

28 1. New jobs credit from withholding shall be based upon  
29 the wages paid to the employees in the new jobs.

30 2. An amount equal to one and one-half percent of the  
31 gross wages paid by the employer to each employee participating  
32 in a project shall be credited from the payment made by an  
33 employer pursuant to section 422.16. If the amount of the  
34 withholding by the employer is less than one and one-half  
35 percent of the gross wages paid to the employees covered by

1 the agreement, then the employer shall receive a credit against  
2 other withholding taxes due by the employer. The employer  
3 shall remit the amount of the credit quarterly in the same  
4 manner as withholding payments are reported to the department  
5 of revenue, to the area community college to be allocated  
6 to and when collected paid into a special fund of the area  
7 community college to pay the principal of and interest on  
8 certificates issued by the area community college to finance  
9 or refinance, in whole or in part, the project. When the  
10 principal and interest on the certificates have been paid,  
11 the employer credits shall cease and any money received after  
12 the certificates have been paid shall be remitted to the  
13 treasurer of state to be deposited in the general fund of  
14 the state.

15 3. The new jobs credit from withholding and the special  
16 fund into which it is paid, may be irrevocably pledged by  
17 an area community college for the payment of the principal  
18 of and interest on the certificate issued by an area community  
19 college to finance or refinance, in whole or in part, the  
20 project.

21 4. The employer shall certify to the department of revenue  
22 that the credit in withholding is in accordance with an  
23 agreement and shall provide other information the department  
24 may require.

25 5. An area community college shall certify to the  
26 department of revenue the amount of new jobs credit from  
27 withholding an employer has remitted to the special fund and  
28 shall provide other information the department may require.

29 6. An employee participating in a project will receive  
30 full credit for the amount withheld as provided in section  
31 422.16.

32 Sec. 6. NEW SECTION. CERTIFICATES. To provide funds  
33 for the present payment of the costs of new jobs training  
34 programs, an area community college may borrow money and issue  
35 and sell certificates payable from a sufficient portion of

1 the future receipts of payments authorized by the agreement.  
2 The receipts shall be pledged to the payment of principal  
3 of and interest on the certificates.

4 1. Certificates may be sold at public sale as provided  
5 by chapter 75 or at private sale at par, premium, or discount  
6 at the discretion of the board of directors. However, chapter  
7 76 does not apply to the issuance of these certificates.

8 2. Certificates may be issued with respect to a single  
9 project or multiple projects and may contain terms or  
10 conditions as the board of directors may provide by resolution  
11 authorizing the issuance of the certificates.

12 3. Certificates issued to refund other certificates may  
13 be sold at public sale or at private sale as provided in this  
14 section with the proceeds from the sale to be used for the  
15 payment of the certificates being refunded. The refunding  
16 certificates may be exchanged in payment and discharge of  
17 the certificates being refunded, in installments at different  
18 times or an entire issue or series at one time. Refunding  
19 certificates may be sold or exchanged at any time on, before,  
20 or after the maturity of the outstanding certificates to be  
21 refunded, may be issued for the purpose of refunding a like,  
22 greater, or lesser principal amount of certificates and may  
23 bear a higher, lower, or equivalent rate of interest than  
24 the certificates being renewed or refunded.

25 4. To further secure the payment of the certificates,  
26 the board of directors shall, by resolution, provide for the  
27 assessment of an annual levy of a standby tax upon all taxable  
28 property within the merged area. A copy of the resolution  
29 shall be sent to the county auditor of each county in which  
30 the merged area is located. The revenues from the standby  
31 tax shall be deposited in a special fund and shall be expended  
32 only for the payment of principal of and interest on the  
33 certificates issued as provided in this section, when the  
34 receipt of payment for program costs as provided in the  
35 agreement is insufficient. If payments are necessary and

1 made from the special fund, the amount of the payments shall  
2 be promptly repaid into the special fund from the first  
3 available payments received for program costs as provided  
4 in the agreement which are not required for the payment of  
5 principal of or interest on certificates due. The board of  
6 directors shall adjust the annual standby tax levy for each  
7 year to reflect the amount of revenues in the special fund  
8 and the amount of principal and interest which is due in that  
9 year.

10 5. Before certificates are issued, the board of directors  
11 shall publish once a notice of its intention to issue the  
12 certificates, stating the amount, the purpose, and the project  
13 or projects for which the certificates are to be issued.  
14 A person may, within fifteen days after the publication of  
15 the notice by action in the district court of a county in  
16 the area within which the area community college is located,  
17 appeal the decision of the board of directors in proposing  
18 to issue the certificates. The action of the board of  
19 directors in determining to issue the certificates is final  
20 and conclusive unless the district court finds that the board  
21 of directors has exceeded its legal authority. An action  
22 shall not be brought which questions the legality of the  
23 certificates, the power of the board of directors to issue  
24 the certificates, the effectiveness of any proceedings relating  
25 to the authorization of the project, or the authorization  
26 and issuance of the certificates from and after fifteen days  
27 from the publication of the notice of intention to issue.

28 6. The board of directors shall determine if revenues  
29 are sufficient to secure the faithful performance of  
30 obligations in the agreement.

31 Sec. 7. NEW SECTION. DEVELOPMENT COMMISSION. The Iowa  
32 development commission shall coordinate the new jobs training  
33 program. The Iowa development commission shall adopt, amend,  
34 and repeal rules under chapter 17A that the area community  
35 college will use in developing projects with new and expanding

1 industrial new jobs training proposals. The commission is  
2 authorized to make any rule that is adopted, amended, or  
3 repealed effective immediately upon filing with the  
4 administrative rules coordinator or at a subsequent stated  
5 date prior to indexing and publication, or at a stated date  
6 less than thirty-five days after filing, indexing, and  
7 publication. The Iowa development commission shall prepare  
8 an annual report for the governor and general assembly on  
9 the activities of the industrial new jobs training program.  
10 Sec. 8. This Act, being deemed of immediate importance,  
11 takes effect from and after its publication in the Globe-  
12 Gazette, a newspaper published in Mason City, Iowa, and in  
13 the Logan Herald-Observer, a newspaper published in Logan,  
14 Iowa.

15 EXPLANATION

16 This bill establishes the Iowa industrial new jobs training  
17 program which is a mechanism for new or expanding industries  
18 in Iowa to make arrangements for the training of new employees.  
19 An employer would enter into an agreement with an area  
20 community college to establish and provide for this training  
21 program. The agreement may provide for the employer to  
22 reimburse or pay for the costs of the program.

23 The program costs may be paid from any of the following  
24 sources which are specified in the agreement:

25 1. Incremental property taxes which are those taxes levied  
26 on the increase in valuation of some of the employer's business  
27 property after a certain date. This is the same process used  
28 by municipalities for their incremental financing of urban  
29 development projects.

30 2. New jobs credit from withholding which is a credit  
31 of one and one-half percent of the new employee's salary from  
32 the personal income tax withholding payment made by the  
33 employer to the state. The employer remits the credited  
34 amount to a special fund established with the area community  
35 college to pay for program costs. The employee receives full

1 credit on the employee's state income tax liability for the  
2 full amount withheld.

3 3. Tuition, student fees, user fees, and special charges.

4 Certificates of the area community college may be sold  
5 to finance the program costs. The repayment of the  
6 certificates will be from those sources specified in the  
7 agreement. Provision is made for the levy of a standby tax  
8 to be used only if payments from sources specified in the  
9 agreement are insufficient.

10 The new jobs training program will be administered by area  
11 community colleges which may subcontract with other Iowa  
12 public and private colleges and universities and governmental  
13 agencies.

14 An industry is prohibited from participating in this program  
15 if it closes or reduces operations within the state and moves  
16 the same operation to another part of the state.

17 The Iowa development commission will adopt rules for this  
18 program.

19 This bill takes effect upon publication.

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APRIL 18, 1983

PAGE TWO

HOUSE FILE 623  
FISCAL NOTE

REQUESTED BY REPRESENTATIVE DODERER

In compliance with a written request received April 14, 1983, there is hereby submitted a Fiscal Note for House File 623 pursuant to Joint Rule 17. Background information used in developing this Fiscal Note is available from the Legislative Fiscal Bureau, to members of the Legislature upon request.

House File 623 establishes the Iowa Industrial New Jobs Training Program. The purpose of the program is to provide for training of new employees for new or expanding industries in Iowa. The program will be administered by area community colleges which may subcontract with other Iowa public and private colleges and universities and governmental agencies. An employer would enter into an agreement with an area community college to establish and provide for this training program. Program costs may be paid from any of the following sources which are specified in the agreement:

- Incremental property taxes which are those taxes levied on the increase in valuation of some of the employer's business property after a certain date. This is the same process used by municipalities for their incremental financing of urban development projects.
- New jobs credit from withholding which is a credit of one and one half percent of the new employee's salary from the personal income tax withholding made by the employer to the state. The employer remits the credited amount to a special fund established with the area college to pay for the program costs. The employee receives full credit on the employee's state income tax liability for the full amount withheld.
- Tuition, student fees, user fees, and special charges.

Certificates of the area community college may be sold to finance the program costs. The repayment of the certificates will be from the sources specified in the agreement as listed above. Provision is made for the levy of a standby tax to be used only if payments from sources specified in the agreement are insufficient.

An industry is prohibited from participating in this program if it closes or reduces operations within the state and moves the same operation to another part of the state. Retail, health, or professional services are excluded from the program. The bill takes effect upon publication.

FISCAL IMPACT: The property tax exclusion represents some losses to local governments, although at the end of the growth period additional valuations will be provided. The state will lose some revenues with the jobs credit from the withholding receipts. However, the exact amount of such losses cannot be determined without knowledge of the extent of use of the program and the individual applications businesses will chose to meet the costs of a specific program.

(1654H, 83-479, CMG)

ED APRIL 14, 1983

BY DENNIS C. PROUTY, FISCAL DIRECTOR

APRIL 18, 1983

PAGE FOUR

FISCAL NOTE HOUSE FILE 623

Page two

Estimated Revenue  
(Dollars in Millions)

	<u>FY 84</u>	<u>FY 85</u>	<u>FY 86</u>	<u>FY 87</u>	<u>FY 88</u>	<u>FY 89</u>	<u>FY 90</u>
Total Revenue	\$30.4	34.2	38.5	43.3	48.7	54.7	61.6
State's Share	\$ 2.4	5.4	11.7	19.2	28.0	34.0	40.9
Counties' Share	9.6	8.1	6.1	3.4	0.0	0.0	0.0
Counties' Z Share	80.0	60.0	40.0	20.0	0.0	0.0	0.0
Schools' Share	18.4	20.7	20.7	20.7	20.7	20.7	20.7
	<u>30.4</u>	<u>34.2</u>	<u>38.5</u>	<u>43.3</u>	<u>48.7</u>	<u>54.7</u>	<u>61.6</u>

Estimated State Revenue  
(Dollars in Millions)

	<u>FY 84</u>	<u>FY 85</u>	<u>FY 86</u>	<u>FY 87</u>	<u>FY 88</u>	<u>FY 89</u>	<u>FY 90</u>
State Expenditures	\$ 2.1	9.6	20.5	47.0	62.9	70.1	78.1
State Revenues	2.4	5.4	11.7	19.2	28.0	34.0	40.9
Unfunded Costs	0.0	4.2	8.8	27.8	34.9	36.1	37.2

The above amounts use 11.5% increased cost per year and 12.5% increase in receipts per year. These amounts are used because that was the historical increase. Even though the actual percentages will be different, it shows the relationship between the counties and the state's portion during the phase in.

Implementation of the reorganization will be by function rather than in 20% increments. The steps are signified by the numbers in parentheses.

The number of authorized district judges will be increased by four. The total cost of adding four judges is \$285,056. This amount is not included in the projections shown above. There is an appropriation in Section 10401 for \$214,000 to employ additional staff within the state and district court administrator's office.

Section 10401 appropriates \$11,942 for the payment of increased salaries of alternate district associate judges.

Section 10403 appropriates \$11,763 for the payment of expenses of the judges of the Court of Appeals.

Section 10404 appropriates \$1,900,000 for the payment of jury and witness fees. This amount is shown in the above projection.

The bill provides that the counties who provide computer services shall continue to do so unless otherwise directed by the General Assembly and the supreme court shall reimburse the counties for the services. This amount cannot be determined from present records maintained by the court administrator.

(0343C, 83-342, KMM)

SOURCE: LEGISLATIVE SERVICE BUREAU  
COURT ADMINISTRATOR

FILED APRIL 14, 1983

BY DENNIS C. PROUTY, FICAL DIRECTOR

H-3819

1 Amend House File 623 as follows:

2 1. Page 1, line 7, by striking the words "community  
3 college" and inserting in lieu thereof the word  
4 "school".

5 2. Page 1, line 10, by striking the words  
6 "community college" and inserting in lieu thereof  
7 the word "school".

8 3. Page 1, lines 12 and 13, by striking the words  
9 "community college" and inserting in lieu thereof  
10 the word "school".

11 4. Page 1, line 31, by striking the words  
12 "community college" and inserting in lieu thereof  
13 the word "school".

14 5. Page 1, line 35, by striking the words  
15 "community college" and inserting in lieu thereof  
16 the word "school".

17 6. Page 2, by striking line 1 and inserting in  
18 lieu thereof the following:

19 "8. "Area school" means a vocational school or  
20 a community college".

21 7. Page 2, line 4, by striking the words "community  
22 college" and inserting in lieu thereof the word  
23 "school".

24 8. Page 2, line 29, by striking the words  
25 "community college" and inserting in lieu thereof  
26 the word "school".

27 9. Page 2, line 31, by striking the words  
28 "community college" and inserting in lieu thereof  
29 the word "school".

30 10. Page 3, line 16, by inserting after the word  
31 "for" the words "up to".

32 11. Page 3, line 18, by striking the word "is"  
33 and inserting in lieu thereof the words "can be".

34 12. Page 4, line 12, by striking the words  
35 "community college" and inserting in lieu thereof  
36 the word "school".

37 13. Page 4, line 13, by striking the words  
38 "community college" and inserting in lieu thereof  
39 the word "school".

40 14. Page 4, line 15, by striking the words  
41 "community college" and inserting in lieu thereof  
42 the word "school".

43 15. Page 5, line 5, by striking the words  
44 "community college" and inserting in lieu thereof  
45 the word "school".

46 16. Page 5, line 7, by striking the words  
47 "community college" and inserting in lieu thereof  
48 the word "school".

49 17. Page 5, line 8, by striking the words  
50 "community college" and inserting in lieu thereof

APRIL 21, 1983  
PAGE SEVEN

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Page Two

- 1 the word "school".
- 2 18. Page 5, line 17, by striking the words
- 3 "community college" and inserting in lieu thereof
- 4 the word "school".
- 5 19. Page 5, lines 18 and 19, by striking the words
- 6 "community college" and inserting in lieu thereof
- 7 the word "school".
- 8 20. Page 5, line 25, by striking the words
- 9 "community college" and inserting in lieu thereof
- 10 the word "school".
- 11 21. Page 5, line 34, by striking the words
- 12 "community college" and inserting in lieu thereof
- 13 the word "school".
- 14 22. Page 7, line 16, by striking the words
- 15 "community college" and inserting in lieu thereof
- 16 the word "school".
- 17 23. Page 7, lines 34 and 35, by striking the words
- 18 "community college" and inserting in lieu thereof
- 19 the word "school".

H-3819 FILED APRIL 20, 1983

BY GRONINGA of Cerro Gordo

*Adopted 4/21/83 (p. 1521)*

HOUSE FILE 623

H-3817

1 Amend House File 623 as follows:

- 2 1. Page 7, line 5, by inserting after the word
- 3 "due." the words "No reserves may be built up in this
- 4 fund in anticipation of a projected default."

BY SCHROEDER of Pottawattamie  
GRONINGA of Cerro Gordo

H-3817 FILED APRIL 20, 1983

*Adopted 4/21/83 (p. 1521)*

HOUSE FILE 623

H-3832

1 Amend House File 623 as follows:

- 2 1. Page 7, line 32, by inserting after the word
- 3 "commission" the words "in consultation with the
- 4 department of public instruction and the office for
- 5 planning and programming".

H-3832 FILED APRIL 21, 1983

BY GRONINGA of Cerro Gordo

ADOPTED (*p. 1521*)

Sen. Karp & Benson 4/25/83 To Pass 4/86 (p. 1407)

HOUSE FILE 623

BY COMMITTEE ON WAYS AND MEANS

(As Amended and Passed by the House)

Passed House, Date 4-21-83 (1522) Passed Senate, Date 5-4-83 (p. 1524)

Vote: Ayes 97 Nays 0 Vote: Ayes 48 Nays 1

Approved May 27, 1983

### A BILL FOR

1 An Act to establish an Iowa industrial new jobs training  
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3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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House Amendments \_\_\_\_\_

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1 8. "Area school" means a vocational school or a community  
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14 or intrastate commerce for the purpose of manufacturing,  
15 processing, or assembling products, conducting research and  
16 development, or providing services in interstate commerce,  
17 but excludes retail, health, or professional services.

18 "Industry" does not include a business which closes or  
19 substantially reduces its operation in one area of the state  
20 of Iowa and relocates substantially the same operation in  
21 another area of the state of Iowa. This subsection does not  
22 prohibit a business from expanding its operations in another  
23 area of the state provided that existing operations of a  
24 similar nature are not closed or substantially reduced.

25 15. "New job" means a job in a new or expanding industry  
26 but does not include jobs of recalled workers, or replacement  
27 jobs or other jobs that formerly existed in the industry in  
28 the state of Iowa.

29 Sec. 3. NEW SECTION. AGREEMENT. An area school may enter  
30 into an agreement to establish a project. If an agreement  
31 is entered into, the area school and the employer shall notify  
32 the department of revenue as soon as possible. An agreement  
33 may provide, but is not limited to:

34 1. Program costs, including deferred costs, may be paid  
35 from one or a combination of the following sources:

1 a. Incremental property taxes to be received or derived  
2 from an employer's business property where new jobs are created  
3 as a result of the project.

4 b. New jobs credit from withholding to be received or  
5 derived from new employment resulting from the project.

6 c. Tuition, student fees, or special charges fixed by  
7 the board of directors to defray program costs in whole or  
8 in part.

9 d. Guarantee of payments to be received under paragraph  
10 a, b, or c.

11 2. Payment of program costs shall not be deferred for  
12 a period longer than ten years from the date of commencement  
13 of the project.

14 3. Costs of on-the-job training for employees shall not  
15 exceed fifty percent of the annual gross payroll costs for  
16 up to one year of the new jobs. For purposes of this  
17 subsection, "gross payroll" can be the gross wages, salaries,  
18 and benefits for the jobs in training in the project.

19 4. A provision which fixes the minimum amount of  
20 incremental property taxes, new jobs credit from withholding,  
21 or tuition and fee payments which shall be paid for program  
22 costs.

23 5. Any payments required to be made by an employer are  
24 a lien upon the employer's business property until paid and  
25 have equal precedence with ordinary taxes and shall not be  
26 divested by a judicial sale. Property subject to the lien  
27 may be sold for sums due and delinquent at a tax sale, with  
28 the same forfeitures, penalties, and consequences as for the  
29 nonpayment of ordinary taxes. The purchaser at tax sale  
30 obtains the property subject to the remaining payments.

31 Sec. 4. NEW SECTION. INCREMENTAL PROPERTY TAXES. If  
32 an agreement provides that all or part of program costs are  
33 to be paid for by incremental property taxes, the board of  
34 directors shall provide by resolution that taxes levied on  
35 the employer's taxable business property, where new jobs are

1 created as a result of a project, each year by or for the  
 2 benefit of the state, city, county, school district, or other  
 3 taxing district after the effective date of the resolution  
 4 shall be divided as provided in section 403.19, subsections  
 5 1 and 2, in the same manner as if the employer's business  
 6 property, where new jobs are created as a result of a project,  
 7 was taxable property in an urban renewal project and the  
 8 resolution was an ordinance within the meaning of those  
 9 subsections. The taxes received by the board of directors  
 10 shall be allocated to and when collected be paid into a special  
 11 fund of the area school and may be irrevocably pledged by  
 12 the area school to pay the principal of and interest on the  
 13 certificates issued by the area school to finance or refinance,  
 14 in whole or in part, the project. However, with respect to  
 15 any urban renewal project as to which an ordinance is in  
 16 effect under section 403.19, the collection of incremental  
 17 property taxes authorized by this Act are suspended in favor  
 18 of collection of incremental taxes under section 403.19.  
 19 As used in this section, "taxes" includes, but is not limited  
 20 to, all levies on an ad valorem basis upon land or real  
 21 property of the employer's business, where new jobs are created  
 22 as a result of a project.

23 Sec. 5. NEW SECTION. NEW JOBS CREDIT FROM WITHHOLDING.

24 If an agreement provides that all or part of program costs  
 25 are to be met by receipt of new jobs credit from withholding,  
 26 it shall be done as follows:

- 27 1. New jobs credit from withholding shall be based upon  
 28 the wages paid to the employees in the new jobs.
- 29 2. An amount equal to one and one-half percent of the  
 30 gross wages paid by the employer to each employee participating  
 31 in a project shall be credited from the payment made by an  
 32 employer pursuant to section 422.16. If the amount of the  
 33 withholding by the employer is less than one and one-half  
 34 percent of the gross wages paid to the employees covered by  
 35 the agreement, then the employer shall receive a credit against

1 other withholding taxes due by the employer. The employer  
2 shall remit the amount of the credit quarterly in the same  
3 manner as withholding payments are reported to the department  
4 of revenue, to the area school to be allocated to and when  
5 collected paid into a special fund of the area school to pay  
6 the principal of and interest on certificates issued by the  
7 area school to finance or refinance, in whole or in part,  
8 the project. When the principal and interest on the  
9 certificates have been paid, the employer credits shall cease  
10 and any money received after the certificates have been paid  
11 shall be remitted to the treasurer of state to be deposited  
12 in the general fund of the state.

13 3. The new jobs credit from withholding and the special  
14 fund into which it is paid, may be irrevocably pledged by  
15 an area school for the payment of the principal of and interest  
16 on the certificate issued by an area school to finance or  
17 refinance, in whole or in part, the project.

18 4. The employer shall certify to the department of revenue  
19 that the credit in withholding is in accordance with an  
20 agreement and shall provide other information the department  
21 may require.

22 5. An area school shall certify to the department of  
23 revenue the amount of new jobs credit from withholding an  
24 employer has remitted to the special fund and shall provide  
25 other information the department may require.

26 6. An employee participating in a project will receive  
27 full credit for the amount withheld as provided in section  
28 422.16.

29 Sec. 6. NEW SECTION. CERTIFICATES. To provide funds  
30 for the present payment of the costs of new jobs training  
31 programs, an area school may borrow money and issue and sell  
32 certificates payable from a sufficient portion of the future  
33 receipts of payments authorized by the agreement. The receipts  
34 shall be pledged to the payment of principal of and interest  
35 on the certificates.

1 1. Certificates may be sold at public sale as provided  
2 by chapter 75 or at private sale at par, premium, or discount  
3 at the discretion of the board of directors. However, chapter  
4 76 does not apply to the issuance of these certificates.

5 2. Certificates may be issued with respect to a single  
6 project or multiple projects and may contain terms or  
7 conditions as the board of directors may provide by resolution  
8 authorizing the issuance of the certificates.

9 3. Certificates issued to refund other certificates may  
10 be sold at public sale or at private sale as provided in this  
11 section with the proceeds from the sale to be used for the  
12 payment of the certificates being refunded. The refunding  
13 certificates may be exchanged in payment and discharge of  
14 the certificates being refunded, in installments at different  
15 times or an entire issue or series at one time. Refunding  
16 certificates may be sold or exchanged at any time on, before,  
17 or after the maturity of the outstanding certificates to be  
18 refunded, may be issued for the purpose of refunding a like,  
19 greater, or lesser principal amount of certificates and may  
20 bear a higher, lower, or equivalent rate of interest than  
21 the certificates being renewed or refunded.

22 4. To further secure the payment of the certificates,  
23 the board of directors shall, by resolution, provide for the  
24 assessment of an annual levy of a standby tax upon all taxable  
25 property within the merged area. A copy of the resolution  
26 shall be sent to the county auditor of each county in which  
27 the merged area is located. The revenues from the standby  
28 tax shall be deposited in a special fund and shall be expended  
29 only for the payment of principal of and interest on the  
30 certificates issued as provided in this section, when the  
31 receipt of payment for program costs as provided in the  
32 agreement is insufficient. If payments are necessary and  
33 made from the special fund, the amount of the payments shall  
34 be promptly repaid into the special fund from the first  
35 available payments received for program costs as provided

1 in the agreement which are not required for the payment of  
2 principal of or interest on certificates due. No reserves  
3 may be built up in this fund in anticipation of a projected  
4 default. The board of directors shall adjust the annual  
5 standby tax levy for each year to reflect the amount of  
6 revenues in the special fund and the amount of principal and  
7 interest which is due in that year.

8 5. Before certificates are issued, the board of directors  
9 shall publish once a notice of its intention to issue the  
10 certificates, stating the amount, the purpose, and the project  
11 or projects for which the certificates are to be issued.  
12 A person may, within fifteen days after the publication of  
13 the notice by action in the district court of a county in  
14 the area within which the area school is located, appeal the  
15 decision of the board of directors in proposing to issue the  
16 certificates. The action of the board of directors in  
17 determining to issue the certificates is final and conclusive  
18 unless the district court finds that the board of directors  
19 has exceeded its legal authority. An action shall not be  
20 brought which questions the legality of the certificates,  
21 the power of the board of directors to issue the certificates,  
22 the effectiveness of any proceedings relating to the  
23 authorization of the project, or the authorization and issuance  
24 of the certificates from and after fifteen days from the  
25 publication of the notice of intention to issue.

26 6. The board of directors shall determine if revenues  
27 are sufficient to secure the faithful performance of  
28 obligations in the agreement.

29 Sec. 7. NEW SECTION. DEVELOPMENT COMMISSION. The Iowa  
30 development commission in consultation with the department  
31 of public instruction and the office for planning and  
32 programming shall coordinate the new jobs training program.  
33 The Iowa development commission shall adopt, amend, and repeal  
34 rules under chapter 17A that the area school will use in  
35 developing projects with new and expanding industrial new

1 jobs training proposals. The commission is authorized to  
2 make any rule that is adopted, amended, or repealed effective  
3 immediately upon filing with the administrative rules  
4 coordinator or at a subsequent stated date prior to indexing  
5 and publication, or at a stated date less than thirty-five  
6 days after filing, indexing, and publication. The Iowa  
7 development commission shall prepare an annual report for  
8 the governor and general assembly on the activities of the  
9 industrial new jobs training program.

10 Sec. 8. This Act, being deemed of immediate importance,  
11 takes effect from and after its publication in the Globe-  
12 Gazette, a newspaper published in Mason City, Iowa, and in  
13 the Logan Herald-Observer, a newspaper published in Logan,  
14 Iowa.

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HOUSE FILE 623  
FISCAL NOTE

REQUESTED BY REPRESENTATIVE DODERER

In compliance with a written request received April 14, 1983, there is hereby submitted a Fiscal Note for House File 623, as passed by the House pursuant to Joint Rule 17. Background information used in developing this Fiscal Note is available from the Legislative Fiscal Bureau, to members of the Legislature upon request.

House File 623, as passed by the House, establishes the Iowa Industrial New Jobs Training Program. The purpose of the program is to provide for training of new employees for new or expanding industries in Iowa. The program will be administered by area schools (community colleges or vocational schools) which may subcontract with other Iowa public and private colleges and universities and governmental agencies. An employer would enter into an agreement with an area school to establish and provide for this training program. Program costs may be paid from any of the following sources which are specified in the agreement:

- Incremental property taxes which are those taxes levied on the increase in valuation of some of the employer's business property after a certain date. This is the same process used by municipalities for their incremental financing of urban development projects.
- New jobs credit from withholding which is a credit of one and one half percent of the new employee's salary from the personal income tax withholding made by the employer to the state. The employer remits the credited amount to a special fund established with the area school to pay for the program costs. The employee receives full credit on the employee's state income tax liability for the full amount withheld.
- Tuition, student fees, user fees, and special charges.

Certificates of the area school may be sold to finance the program costs. The repayment of the certificates will be from the sources specified in the agreement as listed above. Provision is made for the levy of a standby tax to be used only if payments from sources specified in the agreement are insufficient.

An industry is prohibited from participating in this program if it closes or reduces operations within the state and moves the same operation to another part of the state. Retail, health, or professional services are excluded from the program. The bill takes effect upon publication.

FISCAL IMPACT: The property tax exclusion represents some losses to local governments, although at the end of the growth period additional valuations will be provided. The state will lose some revenues with the jobs credit from the withholding receipts. However, the exact amount of such losses cannot be determined without knowledge of the extent of use of the program and the individual applications businesses will chose to meet the costs of a specific program.

FILED APRIL 28, 1983

(1654H, 83-479, CMG)  
BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 623

S-3676

1 Amend House File 623 as amended, passed and  
2 reprinted by the House, as follows:  
3 1. Page 2, line 30, by inserting after the word  
4 "project." the words and figure "Before finalizing  
5 an agreement under this Act, an area school must apply  
6 to use federal funds for all participants eligible  
7 for such funds under the agreement to the private  
8 industry council of the appropriate jurisdiction as  
9 established under the Job Training Partnership Act,  
10 Pub. L. No. 97-300. Area schools are to use federal  
11 funds for job training purposes as approved by the  
12 private industry council in lieu of funds available  
13 as listed in subsection 1 for all participants under  
14 the agreement eligible for such funds."

S-3676 FILED

BY EMIL HUSAK

APRIL 27, 1983

*Hand 5/3/83 (p. 1503)*

HOUSE FILE 623

S-3754

1 Amend House File 623 as amended, passed and  
2 reprinted by the House, as follows:  
3 1. Page 2, by inserting after line 28 the  
4 following:  
5 "16. "Handicapped individual" means an individual  
6 who meets any of the following conditions:  
7 a. Has a physical or mental impairment which  
8 substantially limits one or more major life activities.  
9 b. Has a record of such impairment.  
10 c. Is regarded as having such an impairment.  
11 17. Physical or mental impairment means one of  
12 the following:  
13 a. A physiological disorder or condition, cosmetic  
14 disfigurement, or anatomical loss affecting one or  
15 more of the body systems.  
16 b. A mental or psychological disorder, such as  
17 mental retardation, organic brain syndrom, emotional  
18 or mental illness, and specific learning disabilities."  
19 2. Page 2, line 30, by inserting after the word  
20 "project." the words "All projects established shall  
21 utilize, to the extent practicable, ten percent of  
22 the project funds for the training of handicapped  
23 individuals."

S-3754 FILED

BY BOB CARR

MAY 2, 1983

*Hand 5/3/83 (p. 1503)*

1 Amend House File 623 as amended, passed and re-  
2 printed by the House as follows:  
3 1. Page 6, line 23, by striking the word "resolu-  
4 tion" and inserting in lieu thereof the word "referen-  
5 dum".  
6 2. Page 6, line 25, by striking the word "resolu-  
7 tion" and inserting in lieu thereof the word "referen-  
8 dum".

S-3786 FILED & LOST

BY JAMES V. GALLAGHER

MAY 4, 1983 *(p. 1523)*

HOUSE FILE 623

S-3784

1 Amend House File 623 as amended, passed and  
2 reprinted by the House as follows:  
3 1. Page 3, by inserting after line 10 the  
4 following:  
5 "e. In providing for the payment of program costs  
6 the source identified in paragraph a shall be used  
7 first to the extent that it is available. If the  
8 amount from the source in paragraph a is insufficient  
9 or unavailable then the program costs shall be paid  
10 from the source identified in paragraph b or c. When  
11 the total statewide program costs in a fiscal year  
12 from the sources in paragraphs a and b total ten  
13 million dollars any additional costs paid for in that  
14 fiscal year shall be paid from sources other than  
15 those identified in paragraphs a and b."  
16 2. Page 8, line 1, by inserting after the word  
17 "proposals." the following: "The commission shall  
18 adopt a rule that requires each board of directors  
19 to notify the commission when program costs are paid  
20 and provide the commission with the amount and source  
21 of the program costs payments. The commission shall  
22 maintain a running total for each fiscal year on the  
23 amount and source of the program costs payments.  
24 When the statewide total in a fiscal year reaches  
25 ten million dollars paid from the combined incremental  
26 property taxes and new jobs credit from withholding  
27 sources, the commission shall notify each board of  
28 directors that all subsequent program costs in that  
29 fiscal year are to be paid from sources other than  
30 incremental property taxes and new jobs credit from  
31 withholding sources or are not to be incurred at all."

S-3784 FILED

BY DALE L. TIEDEN

MAY 3, 1983

*Loat 5/4/83 (p. 1522)*

HOUSE FILE 623

S-3779

1 Amend House File 623 as amended, passed and  
2 reprinted by the House, as follows:  
3 1. Page 7, line 33, by striking the words ", amend,  
4 and repeal".  
5 2. Page 8, by striking lines 1 through 6 and  
6 inserting in lieu thereof the following: "jobs training  
7 proposals. The Iowa".

S-3779 FILED

BY DOUG RITSEMA

MAY 3, 1983

*Loat 5/4 (p. 1523)*

HOUSE FILE 623

AN ACT

TO ESTABLISH AN IOWA INDUSTRIAL NEW JOBS TRAINING PROGRAM.

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

Section 1. NEW SECTION. TITLE. This Act shall be known and may be cited as the Iowa industrial new jobs training Act.

Sec. 2. NEW SECTION. DEFINITIONS. When used in this Act, unless the context otherwise requires:

1. "New jobs training program" or "program" means the project or projects established by an area school for the creation of jobs by providing education and training of workers for new jobs for new or expanding industry in the merged area served by the area school.

2. "Project" means a training arrangement which is the subject of an agreement entered into between the area school and an employer to provide program services.

3. "Program services" includes but is not limited to the following:

- a. New jobs training.
  - b. Adult basic education and job-related instruction.
  - c. Vocational and skill-assessment services and testing.
  - d. Training facilities, equipment, materials, and supplies.
  - e. On-the-job training.
  - f. Administrative expenses for the new jobs training program.
  - g. Subcontracted services with institutions governed by the board of regents, private colleges or universities, or other federal, state, or local agencies.
  - h. Contracted or professional services.
  - i. Issuance of certificates.
4. "Program costs" means all necessary and incidental costs of providing program services.

5. "Employer" means the person providing new jobs in the merged area served by the area school and entering into an agreement.

6. "Employee" means the person employed in a new job.

7. "Agreement" is the agreement between an employer and an area school concerning a project.

8. "Area school" means a vocational school or a community college established under chapter 280A.

9. "Board of directors" means the board of directors of an area school.

10. "Incremental property taxes" means the taxes as provided in section 4 of this Act.

11. "New jobs credit from withholding" means the credit as provided in section 5 of this Act.

12. "Date of commencement of the project" means the date of the agreement.

13. "Certificate" means industrial new jobs training certificates issued pursuant to section 6 of this Act.

14. "Industry" means a business engaged in interstate or intrastate commerce for the purpose of manufacturing, processing, or assembling products, conducting research and development, or providing services in interstate commerce, but excludes retail, health, or professional services. "Industry" does not include a business which closes or substantially reduces its operation in one area of the state of Iowa and relocates substantially the same operation in another area of the state of Iowa. This subsection does not prohibit a business from expanding its operations in another area of the state provided that existing operations of a similar nature are not closed or substantially reduced.

15. "New job" means a job in a new or expanding industry but does not include jobs of recalled workers, or replacement jobs or other jobs that formerly existed in the industry in the state of Iowa.

Sec. 3. NEW SECTION. AGREEMENT. An area school may enter into an agreement to establish a project. If an agreement is entered into, the area school and the employer shall notify

the department of revenue as soon as possible. An agreement may provide, but is not limited to:

1. Program costs, including deferred costs, may be paid from one or a combination of the following sources:
    - a. Incremental property taxes to be received or derived from an employer's business property where new jobs are created as a result of the project.
    - b. New jobs credit from withholding to be received or derived from new employment resulting from the project.
    - c. Tuition, student fees, or special charges fixed by the board of directors to defray program costs in whole or in part.
    - d. Guarantee of payments to be received under paragraph a, b, or c.
  2. Payment of program costs shall not be deferred for a period longer than ten years from the date of commencement of the project.
  3. Costs of on-the-job training for employees shall not exceed fifty percent of the annual gross payroll costs for up to one year of the new jobs. For purposes of this subsection, "gross payroll" can be the gross wages, salaries, and benefits for the jobs in training in the project.
  4. A provision which fixes the minimum amount of incremental property taxes, new jobs credit from withholding, or tuition and fee payments which shall be paid for program costs.
  5. Any payments required to be made by an employer are a lien upon the employer's business property until paid and have equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to the lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties, and consequences as for the nonpayment of ordinary taxes. The purchaser at tax sale obtains the property subject to the remaining payments.
- Sec. 4. NEW SECTION. INCREMENTAL PROPERTY TAXES. If an agreement provides that all or part of program costs are to be paid for by incremental property taxes, the board of

directors shall provide by resolution that taxes levied on the employer's taxable business property, where new jobs are created as a result of a project, each year by or for the benefit of the state, city, county, school district, or other taxing district after the effective date of the resolution shall be divided as provided in section 403.19, subsections 1 and 2, in the same manner as if the employer's business property, where new jobs are created as a result of a project, was taxable property in an urban renewal project and the resolution was an ordinance within the meaning of those subsections. The taxes received by the board of directors shall be allocated to and when collected be paid into a special fund of the area school and may be irrevocably pledged by the area school to pay the principal of and interest on the certificates issued by the area school to finance or refinance, in whole or in part, the project. However, with respect to any urban renewal project as to which an ordinance is in effect under section 403.19, the collection of incremental property taxes authorized by this Act are suspended in favor of collection of incremental taxes under section 403.19. As used in this section, "taxes" includes, but is not limited to, all levies on an ad valorem basis upon land or real property of the employer's business, where new jobs are created as a result of a project.

Sec. 5. NEW SECTION. NEW JOBS CREDIT FROM WITHHOLDING. If an agreement provides that all or part of program costs are to be met by receipt of new jobs credit from withholding, it shall be done as follows:

1. New jobs credit from withholding shall be based upon the wages paid to the employees in the new jobs.
2. An amount equal to one and one-half percent of the gross wages paid by the employer to each employee participating in a project shall be credited from the payment made by an employer pursuant to section 422.16. If the amount of the withholding by the employer is less than one and one-half percent of the gross wages paid to the employees covered by the agreement, then the employer shall receive a credit against

other withholding taxes due by the employer. The employer shall remit the amount of the credit quarterly in the same manner as withholding payments are reported to the department of revenue, to the area school to be allocated to and when collected paid into a special fund of the area school to pay the principal of and interest on certificates issued by the area school to finance or refinance, in whole or in part, the project. When the principal and interest on the certificates have been paid, the employer credits shall cease and any money received after the certificates have been paid shall be remitted to the treasurer of state to be deposited in the general fund of the state.

3. The new jobs credit from withholding and the special fund into which it is paid, may be irrevocably pledged by an area school for the payment of the principal of and interest on the certificate issued by an area school to finance or refinance, in whole or in part, the project.

4. The employer shall certify to the department of revenue that the credit in withholding is in accordance with an agreement and shall provide other information the department may require.

5. An area school shall certify to the department of revenue the amount of new jobs credit from withholding an employer has remitted to the special fund and shall provide other information the department may require.

6. An employee participating in a project will receive full credit for the amount withheld as provided in section 422.16.

Sec. 6. NEW SECTION. CERTIFICATES. To provide funds for the present payment of the costs of new jobs training programs, an area school may borrow money and issue and sell certificates payable from a sufficient portion of the future receipts of payments authorized by the agreement. The receipts shall be pledged to the payment of principal of and interest on the certificates.

1. Certificates may be sold at public sale as provided by chapter 75 or at private sale at par, premium, or discount

at the discretion of the board of directors. However, chapter 76 does not apply to the issuance of these certificates.

2. Certificates may be issued with respect to a single project or multiple projects and may contain terms or conditions as the board of directors may provide by resolution authorizing the issuance of the certificates.

3. Certificates issued to refund other certificates may be sold at public sale or at private sale as provided in this section with the proceeds from the sale to be used for the payment of the certificates being refunded. The refunding certificates may be exchanged in payment and discharge of the certificates being refunded, in installments at different times or an entire issue or series at one time. Refunding certificates may be sold or exchanged at any time on, before, or after the maturity of the outstanding certificates to be refunded, may be issued for the purpose of refunding a like, greater, or lesser principal amount of certificates and may bear a higher, lower, or equivalent rate of interest than the certificates being renewed or refunded.

4. To further secure the payment of the certificates, the board of directors shall, by resolution, provide for the assessment of an annual levy of a standby tax upon all taxable property within the merged area. A copy of the resolution shall be sent to the county auditor of each county in which the merged area is located. The revenues from the standby tax shall be deposited in a special fund and shall be expended only for the payment of principal of and interest on the certificates issued as provided in this section, when the receipt of payment for program costs as provided in the agreement is insufficient. If payments are necessary and made from the special fund, the amount of the payments shall be promptly repaid into the special fund from the first available payments received for program costs as provided in the agreement which are not required for the payment of principal of or interest on certificates due. No reserves may be built up in this fund in anticipation of a projected default. The board of directors shall adjust the annual

standby tax levy for each year to reflect the amount of revenues in the special fund and the amount of principal and interest which is due in that year.

5. Before certificates are issued, the board of directors shall publish once a notice of its intention to issue the certificates, stating the amount, the purpose, and the project or projects for which the certificates are to be issued. A person may, within fifteen days after the publication of the notice by action in the district court of a county in the area within which the area school is located, appeal the decision of the board of directors in proposing to issue the certificates. The action of the board of directors in determining to issue the certificates is final and conclusive unless the district court finds that the board of directors has exceeded its legal authority. An action shall not be brought which questions the legality of the certificates, the power of the board of directors to issue the certificates, the effectiveness of any proceedings relating to the authorization of the project, or the authorization and issuance of the certificates from and after fifteen days from the publication of the notice of intention to issue.

6. The board of directors shall determine if revenues are sufficient to secure the faithful performance of obligations in the agreement.

Sec. 7. NEW SECTION. DEVELOPMENT COMMISSION. The Iowa development commission in consultation with the department of public instruction and the office for planning and programming shall coordinate the new jobs training program. The Iowa development commission shall adopt, amend, and repeal rules under chapter 17A that the area school will use in developing projects with new and expanding industrial new jobs training proposals. The commission is authorized to make any rule that is adopted, amended, or repealed effective immediately upon filing with the administrative rules coordinator or at a subsequent stated date prior to indexing and publication, or at a stated date less than thirty-five days after filing, indexing, and publication. The Iowa

development commission shall prepare an annual report for the governor and general assembly on the activities of the industrial new jobs training program.

Sec. 8. This Act, being deemed of immediate importance, takes effect from and after its publication in the Globe-Gazette, a newspaper published in Mason City, Iowa, and in the Logan Herald-Observer, a newspaper published in Logan, Iowa.

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DONALD D. AVENSON  
Speaker of the House

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ROBERT T. ANDERSON  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 623, Seventieth General Assembly.

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JOSEPH O'HERN  
Chief Clerk of the House

Approved May 27, 1983

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TERRY E. BRANSTAD  
Governor