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Place On Calendar

HOUSE FILE 2463
BY COMMITTEE ON ECONOMIC
DEVELOPMENT

(SUCCESSOR TO HSB 693)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to workforce development by establishing a
2 workforce development department, by eliminating the
3 department of employment services, and including workforce
4 development programs in the new department, and by
5 establishing a workforce development board and regional
6 advisory boards.

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

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HF 2463

1 Section 1. Section 15.108, subsection 6, Code 1995, is
2 amended to read as follows:

3 6. JOB EMPLOYEE TRAINING AND ENTREPRENEURIAL-ASSISTANCE
4 RETRAINING. To develop job employee training and retraining
5 strategies in coordination with the department of education
6 and department of workforce development as tools for business
7 development, business expansion, and enhanced competitiveness
8 of Iowa industry, which will promote economic growth and the
9 creation of new job opportunities and to administer related
10 programs including the federal Job Training Partnership Act.

11 To carry out this responsibility, the department shall:

12 a. Coordinate and perform the duties specified under the
13 job-training-partnership-program-in-chapter-7B, the Iowa
14 industrial new jobs training Act in chapter 260E, and the Iowa
15 small business new jobs training Act in chapter 260F, the
16 workforce development fund in section 15.341, and the loan
17 loss reserve account in section 15.345. In performing these
18 duties, the department shall:

19 (1) ~~Develop a job training delivery system which will~~
20 ~~minimize administrative costs through a single delivery~~
21 ~~system, maximize the use of public and private resources for~~
22 ~~job training initiatives, and assume the coordination of ser-~~
23 ~~vices and activities with other related programs at both the~~
24 ~~state and local level.~~

25 (2) ~~Manage a job training program reporting and evaluation~~
26 ~~system which will measure program performance, identify~~
27 ~~program accomplishments and service levels, evaluate how well~~
28 ~~job training programs are being coordinated among themselves~~
29 ~~and with other related programs, and show areas where job~~
30 ~~training efforts need to be improved.~~

31 (3) ~~Maintain a financial management system, file~~
32 ~~appropriate administrative rules, and monitor the performance~~
33 ~~of agencies and organizations involved with the administration~~
34 ~~of job training programs assigned to the department.~~

35 b. ~~Develop job training strategies which will promote~~

1 ~~economic-growth-and-the-creation-of-new-job-opportunities-~~

2 ~~Specifically,-the-department-shall-~~

3 (1) Work closely with representatives of business and
4 industry, labor organizations, the council on human
5 investment, the department of education, and the department of
6 workforce development, and educational institutions to
7 determine the job employee training needs of Iowa employers,
8 and where possible, provide for the development of industry-
9 specific training programs.

10 (2) Promote Iowa job employee training programs to
11 potential and existing Iowa employers and to employer
12 associations.

13 (3) Develop annual goals and objectives which will
14 identify both short-term and long-term methods to improve
15 program performance, create employment opportunities for
16 residents, and enhance the delivery of services.

17 ~~Develop-job-training-and-technical-assistance-programs~~
18 ~~which-will-promote-entrepreneurial-activities,-assist-small~~
19 ~~businesses,-and-help-generate-off-farm-employment~~
20 ~~opportunities-for-persons-engaged-in-farming-~~ Stimulate the
21 creation of innovative employee training and skills
22 development activities, including business consortium and
23 supplier network training programs, and new employee
24 development training models.

25 (5) Coordinate job employee training activities with other
26 economic development finance programs to stimulate job growth.

27 ~~Develop-policies-and-plans-under-the-youth-program~~
28 ~~provisions-of-appropriate-programs-which-will-emphasize~~
29 ~~employing-Iowa-youth-on-projects-designed-to-improve-Iowa~~
30 ~~parks-and-recreation-areas,-restore-historical-sites,-and~~
31 ~~promote-tourism.--The-department-shall-coordinate-its-youth~~
32 ~~program-efforts-with-representatives-of-educational~~
33 ~~institutions-to-promote-the-understanding-by-youth-of-career~~
34 ~~opportunities-in-business-and-industry-~~ Review workforce
35 development initiatives as they relate to the state's economic

1 development agenda, recommending action as necessary to meet
2 the needs of Iowa's communities and businesses.

3 (7) Incorporate workforce development as a component of
4 community-based economic development activities.

5 ~~c.--To-the-extent-feasible, develop from available state~~
6 ~~and federal job training program resources an entrepreneurship~~
7 ~~training program to help encourage the promotion of small~~
8 ~~businesses within the state.--The department of education and~~
9 ~~the state board of regents shall cooperate with the department~~
10 ~~on this program.--The entrepreneurship training program shall~~
11 ~~coordinate its activities with other financial and technical~~
12 ~~assistance efforts within the department.~~

13 ~~d.--Administer the Iowa "self-employment loan program"~~
14 ~~under section 15.241.~~

15 ~~e.--To-the-extent-feasible, provide assistance to the~~
16 ~~department of human services in obtaining a waiver to provide~~
17 ~~self-employment opportunities to recipients of assistance~~
18 ~~under the family investment program.~~

19 ~~f.--Provide assistance to workers seeking economic~~
20 ~~conversion of closed or economically distressed plants located~~
21 ~~in the state including, but not limited to, the following:~~

22 ~~(1)--Evaluating the feasibility and economic viability of~~
23 ~~proposed employee-owned businesses.~~

24 ~~(2)--Working with the small business development centers to~~
25 ~~provide technical assistance and counseling services~~
26 ~~including, but not limited to, legal, tax, management,~~
27 ~~marketing, labor, and contract assistance to persons who seek~~
28 ~~to form employee-owned businesses.~~

29 ~~(3)--Assisting persons in obtaining financing for the~~
30 ~~purchase and operation of employee-owned businesses.~~

31 Sec. 2. Section 15.108, subsection 7, Code 1995, is
32 amended by adding the following new paragraph:

33 NEW PARAGRAPH. k. Administer the Iowa "self-employment
34 loan program" under section 15.241.

35 Sec. 3. Section 15.108, subsection 9, paragraph a, Code

1 1995, is amended to read as follows:

2 a. Collect and assemble, or cause to have collected and
3 assembled, all pertinent information available regarding the
4 industrial, agricultural, and public and private recreation
5 and tourism opportunities and possibilities of the state of
6 Iowa, including raw materials and products that may be
7 produced from them; power and water resources; transportation
8 facilities; available markets; ~~the-availability-of-labor~~; the
9 banking and financing facilities; the availability of
10 industrial sites; the advantages of the state as a whole, and
11 the particular sections of the state, as industrial locations;
12 the development of a grain alcohol motor fuel industry and its
13 related products; and other fields of research and study as
14 the board deems necessary. This information, as far as
15 possible, shall consider both the encouragement of new
16 industrial enterprises in the state and the expansion of
17 industries now existing within the state, and allied fields to
18 those industries. The information shall also consider the
19 changing composition of the Iowa family, and the level of
20 poverty among different age groups and different family
21 structures in Iowa society, ~~and the-changing-composition-of~~
22 ~~the-Iowa-work-force-and-the~~ their ~~impact of-these-changes~~ on
23 Iowa families.

24 Sec. 4. Section 15.108, subsection 9, Code 1995, is
25 amended by adding the following new paragraph:

26 NEW PARAGRAPH. f. Provide technical assistance to
27 individuals who are pursuing the purchase and operation of
28 employee-owned businesses.

29 Sec. 5. Section 15.343, subsection 1, paragraph a, Code
30 Supplement 1995, is amended to read as follows:

31 a. Notwithstanding section 8.33, all unencumbered and
32 unobligated funds from 1994 Iowa Acts, chapter 1201, section
33 1, subsection 6, except paragraph "d", section 3, subsections
34 1 and 3, and section 10, remaining on July 1, 1995, and all
35 unencumbered and unobligated funds in the Iowa conservation

1 corps escrow account established in section ~~15-229~~ 84A.4 and
2 the job training fund established in section 260F.6.

3 Sec. 6. Section 15.343, subsection 2, paragraph a, Code
4 Supplement 1995, is amended to read as follows:

5 a. The Iowa conservation corps created in ~~sections-15-224~~
6 ~~through-15-230~~ section 84A.4.

7 Sec. 7. Section 15.343, subsection 2, paragraph e, Code
8 Supplement 1995, is amended to read as follows:

9 e. For the workforce investment program under section
10 ~~15-348~~ 84A.5.

11 Sec. 8. Section 84A.1, Code 1995, is amended to read as
12 follows:

13 84A.1 DEPARTMENT OF EMPLOYMENT-SERVICES WORKFORCE
14 DEVELOPMENT -- DIRECTOR -- DIVISIONS.

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

20 2. The chief executive officer of the department is the
21 director who shall be appointed by the governor, subject to
22 confirmation by the senate under the confirmation procedures
23 of section 2.32. The director shall serve at the pleasure of
24 the governor. ~~The-director-shall-be-subject-to-reconfirmation~~
25 ~~by-the-senate, under the confirmation procedures of section~~
26 ~~2-32, during the regular session of the general assembly~~
27 ~~convening in January if the director will complete the~~
28 ~~director's fourth year in office on or before the following~~
29 ~~April 30~~. The governor shall set the salary of the director
30 within the applicable salary range established by the general
31 assembly. The director shall be selected solely on the
32 ability to administer the duties and functions granted to the
33 director and the department and shall devote full time to the
34 duties of the director. If the office of director becomes
35 vacant, the vacancy shall be filled in the same manner as the

1 original appointment was made.

2 The director of the department of employment services shall
3 ~~serve as job service commissioner and shall~~, subject to the
4 requirements of section 84A.1B, prepare, administer, and
5 control the budget of the department and its divisions and
6 ~~shall approve the employment of all personnel of the~~
7 department and its divisions. The director shall employ
8 personnel as necessary to carry out the duties and
9 responsibilities of the department, consistent with the merit
10 system provisions of chapter 19A for employees other than
11 professional and technical employees. Professional and
12 technical employees of the department are exempt from the
13 merit system provisions of chapter 19A, except as otherwise
14 required by federal law and regulation, and except for
15 employees in the divisions of labor services and industrial
16 services.

17 The director shall direct the administrative and compliance
18 functions and control the docket of the division of industrial
19 services.

20 3. The department shall include ~~the division of job~~
21 ~~service~~, the division of labor services, and the division of
22 industrial services, and other divisions as appropriate.

23 Sec. 9. NEW SECTION. 84A.1A WORKFORCE DEVELOPMENT BOARD.

24 1. An Iowa workforce development board is created,
25 consisting of eight voting members appointed by the governor
26 and seven ex officio nonvoting members. The ex officio
27 nonvoting members are four legislative members; one president
28 or the president's designee of the university of northern
29 Iowa, the university of Iowa, or Iowa state university of
30 science and technology, designated by the state board of
31 regents on a rotating basis; one representative from the
32 largest statewide public employees' organization representing
33 state employees; and one superintendent or the
34 superintendent's designee of a community college, appointed by
35 the Iowa association of community college presidents. The

1 legislative members are two state senators, one appointed by
2 the president of the senate, after consultation with the
3 majority leader of the senate, and one appointed by the
4 minority leader of the senate, after consultation with the
5 president of the senate, from their respective parties; and
6 two state representatives, appointed by the speaker after
7 consultation with the majority and minority leaders of the
8 house of representatives from their respective parties. Not
9 more than five of the voting members shall be from the same
10 political party and there shall be an equal number of
11 representatives from business and labor. The governor shall
12 appoint the eight voting members of the board for a term of
13 four years beginning and ending as provided by section 69.19,
14 subject to confirmation by the senate, and the governor's
15 appointments shall include persons knowledgeable of the
16 various elements of the department's responsibilities.

17 2. A vacancy on the board shall be filled in the same
18 manner as regular appointments are made for the unexpired
19 portion of the regular term.

20 3. The board shall meet in May of each year for the
21 purpose of electing one of its voting members as chairperson
22 and one of its voting members as vice chairperson. However,
23 the chairperson and the vice chairperson shall not be from the
24 same political party. The board shall meet at the call of the
25 chairperson or when any five members of the board file a
26 written request with the chairperson for a meeting. Written
27 notice of the time and place of each meeting shall be given to
28 each member of the board. A majority of the voting members
29 constitutes a quorum.

30 4. Members of the board, the director, and other employees
31 of the department shall be allowed their actual and necessary
32 expenses incurred in the performance of their duties. All
33 expenses shall be paid from appropriations for those purposes
34 and the department is subject to the budget requirements of
35 chapter 8. Each member of the board may also be eligible to

1 receive compensation as provided in section 7E.6.

2 5. If a member of the board has an interest, either direct
3 or indirect, in a contract to which the department is or is to
4 be a party, the interest shall be disclosed to the board in
5 writing and shall be set forth in the minutes of a meeting of
6 the board. The member having the interest shall not
7 participate in action by the board with respect to the
8 contract. This subsection does not limit the right of a
9 member of the board to acquire an interest in bonds, or limit
10 the right of a member to have an interest in a bank or other
11 financial institution in which the funds of the department are
12 deposited or which is acting as trustee or paying agent under
13 a trust indenture to which the department is a party.

14 Sec. 10. NEW SECTION. 84A.1B DUTIES OF THE WORKFORCE
15 DEVELOPMENT BOARD.

16 The workforce development board shall do all of the
17 following:

18 1. Develop and coordinate the implementation of a twenty-
19 year comprehensive workforce development plan of specific
20 goals, objectives, and policies for the state. This plan
21 shall be updated annually and revised as necessary. All other
22 state agencies involved in workforce development activities
23 and the regional advisory boards for workforce development
24 shall annually submit to the board for its review and
25 potential inclusion in the plan their goals, objectives, and
26 policies.

27 2. Prepare a five-year strategic plan for state workforce
28 development to implement the specific comprehensive goals,
29 objectives, and policies of the state. All other state
30 agencies involved in workforce development activities and the
31 regional advisory boards for workforce development shall
32 annually submit to the board for its review and potential
33 inclusion in the strategic plan their specific strategic plans
34 and programs. The five-year strategic plan for state
35 workforce development shall be updated annually.

- 1 3. Develop a method of evaluation of the attainment of
2 goals and objectives from pursuing the policies of the five-
3 year and twenty-year plans.
- 4 4. Implement the requirements of chapter 73.
- 5 5. Approve the budget of the department as prepared by the
6 director.
- 7 6. Establish guidelines, procedures, and policies for the
8 awarding of grants or contracts administered by the
9 department.
- 10 7. Review grants or contracts awarded by the department,
11 with respect to the department's adherence to the guidelines
12 and procedures and the impact on the five-year strategic plan
13 for workforce development.
- 14 8. Make recommendations concerning the use of federal
15 funds received by the department with respect to the five-year
16 and twenty-year workforce development plans.
- 17 9. Adopt all necessary rules recommended by the director
18 or administrators of divisions prior to their adoption
19 pursuant to chapter 17A.
- 20 Sec. 11. NEW SECTION. 84A.1C REGIONAL ADVISORY BOARDS.
- 21 1. A regional advisory board shall be established in each
22 service delivery area as defined in section 84B.2. The
23 members of the board shall be appointed by the governor upon
24 the recommendation of chief elected officials within the
25 region. Chief elected officials responsible for
26 recommendations for board membership shall include, but are
27 not limited to, county elected officials, municipal elected
28 officials, and community college trustees. The membership of
29 each board shall provide for equal representation of business
30 and labor and shall include a county elected official, a city
31 official, a representative of a school district, and a
32 representative of a community college.
- 33 2. Each regional advisory board shall identify workforce
34 development needs in its region, assist the workforce
35 development board and the department in the awarding of grants

1 or contracts administered by the department through the
2 regional administrative entity in that region and in
3 monitoring the performance of the grants and contracts
4 awarded, make annual reports as required by section 84A.1B,
5 and make recommendations to the workforce development board
6 and department concerning workforce development.

7 3. The regional advisory board shall select a regional
8 administrative entity responsible for the implementation and
9 coordination of the delivery of program services throughout
10 the service delivery area. The minimal qualifications for the
11 selection of the regional administrative entity shall include
12 but are not limited to the following:

13 a. To the extent possible, the regional administrative
14 entity shall have the demonstrated capacity to deliver program
15 services uniformly throughout the service delivery area.

16 b. The regional administrative entity shall have the
17 demonstrated ability to provide a wide range of educational
18 and training services throughout the service delivery area.

19 c. The regional administrative entity shall demonstrate a
20 successful history of cooperation with other public and
21 private agencies and entities in the delivery of workforce
22 training, retraining, and workforce development services
23 throughout the service delivery area.

24 d. The regional administrative entity shall have the
25 demonstrated capacity to serve as the fiscal agent and to
26 monitor state and federal funds.

27 4. Section 84A.1A, subsections 2 through 5, apply to the
28 members of a regional advisory board except that the board
29 shall meet if a majority of the members of the board, and not
30 five, file a written request with the chairperson for a
31 meeting.

32 Sec. 12. Section 84A.2, Code 1995, is amended to read as
33 follows:

34 84A.2 ~~DEPARTMENT-AND-DIVISION~~ DEPARTMENT'S PRIMARY
35 RESPONSIBILITIES.

1 The department of workforce development, in consultation
2 with the workforce development board and the regional advisory
3 boards, has the primary responsibilities set out in this
4 section.

5 1. The department shall develop and implement a workforce
6 development system which increases the skills of the Iowa
7 workforce, fosters economic growth and the creation of new
8 high skill and high wage jobs through job placement and
9 training services, increases the competitiveness of Iowa
10 businesses by promoting high performance workplaces, and
11 encourages investment in workers.

12 The workforce development system shall strive to provide
13 high quality services to its customers including workers,
14 families, and businesses. The department shall maintain a
15 common intake, assessment, and customer tracking system and to
16 the extent practical provide one-stop services to customers at
17 workforce development centers and other service access points.

18 The system shall include an accountability system to
19 measure program performance, identify accomplishments,
20 evaluate programs to ensure goals and standards are met. The
21 accountability system shall use information obtained from the
22 customer tracking system, the department of economic
23 development, the department of education, and training
24 providers to evaluate the effectiveness of programs
25 administered by the department. The accountability system
26 shall evaluate all of the following:

27 a. The impact of services on wages earned by individuals.

28 b. The effectiveness of training services providers in
29 raising the skills of the Iowa workforce.

30 c. The impact of placement and training services on Iowa's
31 families, communities, and economy.

32 The department shall make information from the customer
33 tracking and accountability system available to the department
34 of economic development, the department of education, and
35 other appropriate public agencies for the purpose of assisting

1 with the evaluation of programs administered by those
2 departments and agencies and for planning and researching
3 public policies relating to education and economic
4 development.

5 ~~1-~~ 2. The ~~division-of-job-service~~ department is
6 responsible for the administration of unemployment
7 compensation benefits and ~~for-the~~ collection of employer
8 contributions under chapter 96, ~~---The-division-is-responsible~~
9 ~~for-the-administration-of~~ providing for the delivery of free
10 public employment offices services established pursuant to
11 chapter 96, other job placement and training programs
12 established pursuant to section 84A.3, and the administration
13 ~~of-the-offices-of-the-division~~ delivery of services located
14 throughout the state ~~and-for-the-personnel-attached-to-those~~
15 offices. ~~The-executive-head-of-the-division-is-the-job~~
16 ~~service-commissioner,-appointed-pursuant-to-section-96-10-~~

17 ~~2-~~ 3. The division of labor services is responsible for
18 the administration of the laws of this state relating to
19 occupational health and safety, the inspection of amusement
20 rides, the removal and encapsulation of asbestos, the
21 inspection of boilers, wage payment collection, registration
22 of construction contractors, the minimum wage, non-English
23 speaking employees, child labor, employment agency licensing,
24 boxing and wrestling, inspection of elevators, and hazardous
25 chemical risks under chapters 88, 88A, 88B, 89, 89A, 89B, 90A,
26 91, 91A, 91C, 91D, 91E, 92, 94, and 95. The executive head of
27 the division is the labor commissioner, appointed pursuant to
28 section 91.2.

29 ~~3-~~ 4. The division of industrial services is responsible
30 for the administration of the laws of this state relating to
31 workers' compensation under chapters 85, 85A, 85B, 86, and 87.
32 The executive head of the division is the industrial
33 commissioner, appointed pursuant to section 86.1.

34 ~~4-~~ 5. The director shall form a coordinating committee
35 composed of the ~~job-service-commissioner~~ director, the labor

1 commissioner, and the industrial commissioner, and other
2 administrators. The committee shall monitor federal
3 compliance issues relating to coordination of functions among
4 the divisions.

5 6. The department shall administer the following programs:

6 a. The Iowa conservation corps established under section
7 84A.4.

8 b. The workforce investment program established under
9 section 84A.5.

10 c. The statewide mentoring program established under
11 section 84A.6.

12 d. The workforce development centers established under
13 chapter 84B.

14 e. Job training partnership programs under chapter 7B.

15 7. The department shall work with the department of
16 economic development to incorporate workforce development as a
17 component of community-based economic development.

18 Sec. 13. Section 84A.3, Code 1995, is amended to read as
19 follows:

20 84A.3 JOB PLACEMENT AND TRAINING PROGRAMS.

21 ~~1. The job-service-commissioner, in coordination with the~~
22 ~~department of economic development, may provide, with or~~
23 ~~without reimbursement, intake, client eligibility, and a~~
24 ~~significant portion of job placement services to individuals~~
25 ~~participating in the job training partnership program~~
26 ~~established under chapter 7B. The department of employment~~
27 ~~services~~ workforce development, in consultation with the
28 workforce development board and the regional advisory boards,
29 the department of education, and the department of economic
30 development shall work together to develop policies
31 encouraging coordination between job-training skill
32 development, labor exchange, and economic development
33 activities.

34 ~~2. The job-service-commissioner, in cooperation with the~~
35 ~~department of elder affairs, shall establish an experimental~~

1 ~~retired-Iowan-employment-program.--The-program-shall-encourage~~
2 ~~and-promote-the-meaningful-employment-of-retired-citizens-of~~
3 ~~the-state.~~

4 2. The director, in cooperation with the department of
5 human services, shall provide job placement and training to
6 persons referred by the department of human services under the
7 PROMISE JOBS program established pursuant to chapter 249C and
8 the food stamp employment and training program.

9 3. The ~~job-service-commissioner~~ director, in cooperation
10 with the department of human rights and the vocational
11 rehabilitation division of the department of education, shall
12 establish a program to provide job placement and training to
13 persons with disabilities.

14 Sec. 14. NEW SECTION. 84A.4 IOWA CONSERVATION CORPS.

15 1. DEFINITIONS. As used in this section, unless the
16 context otherwise requires:

17 a. "Account" means the Iowa conservation corps account.

18 b. "Corps" means the Iowa conservation corps.

19 2. IOWA CONSERVATION CORPS ESTABLISHED. The Iowa
20 conservation corps is established in this state to provide
21 meaningful and productive public service jobs for the youth,
22 the unemployed, the disabled, the disadvantaged, and the
23 elderly, and to provide participants with an opportunity to
24 explore careers, gain work experience, and contribute to the
25 general welfare of their communities and the state. The corps
26 shall provide opportunities in the areas of natural resource
27 and wildlife conservation, park maintenance and restoration,
28 land management, energy savings, community improvement
29 projects, tourism, economic development, and work benefiting
30 human services programs. The department of workforce
31 development shall administer the corps and shall adopt rules
32 governing its operation, eligibility for participation, cash
33 contributions, and implementation of an incentive program.

34 3. FUNDING. Corps projects shall be funded by
35 appropriations to the Iowa conservation corps account and by

1 cash, services, and material contributions made by other state
2 agencies or local public and private agencies. Public and
3 private entities who benefit from a corps project shall
4 contribute at least thirty-five percent of the total project
5 budget. The contributions may be in the form of cash,
6 materials, or services. Materials and services shall be
7 intended for the project and acceptable to the department.
8 Minimum levels of contributions shall be prescribed in rules
9 adopted by the department.

10 4. ACCOUNT CREATED. The Iowa conservation corps account
11 is established within and administered by the department. The
12 account shall include all appropriations made to programs
13 administered by the corps, and may also include moneys
14 contributed by a private individual or organization, or a
15 public entity for the purpose of implementing corps programs
16 and projects. The department may establish an escrow account
17 within the department and obligate moneys within that escrow
18 account for tuition payments to be made beyond the term of any
19 fiscal year. Interest earned on moneys in the Iowa
20 conservation corps account shall be credited to the account.

21 Sec. 15. NEW SECTION. 84A.5 WORKFORCE INVESTMENT
22 PROGRAM.

23 A workforce investment program is established to enable
24 more Iowans to enter or reenter the workforce. The workforce
25 investment program shall provide training and support services
26 to population groups that have historically faced barriers to
27 employment. The department of workforce development shall
28 administer the workforce investment program and shall adopt
29 rules governing its operation and eligibility guidelines for
30 participation.

31 Sec. 16. NEW SECTION. 84A.6 STATEWIDE MENTORING PROGRAM.

32 A statewide mentoring program is established to recruit,
33 screen, train, and match individuals in a mentoring
34 relationship. The department of workforce development shall
35 administer the program in collaboration with the departments

1 of human services, education, and human rights. The
2 availability of the program is subject to the funding
3 appropriated for the purposes of the program.

4 Sec. 17. Section 84B.1, unnumbered paragraph 1, Code 1995,
5 is amended to read as follows:

6 The departments department of ~~employment-services-and~~
7 ~~economic workforce~~ development, in consultation with the
8 departments of economic development, education, elder affairs,
9 human services, and human rights, and the department for the
10 blind, shall establish guidelines for collocating state and
11 federal employment and training programs in centers providing
12 services at the local level. The centers shall be known as
13 workforce development centers. The departments shall also
14 jointly establish an integrated management information system
15 for linking the programs within a local center to the same
16 programs within other local centers and to the state. The
17 guidelines shall provide for local design and operation within
18 the guidelines. The core services available at a center shall
19 include but are not limited to all of the following:

20 Sec. 18. NEW SECTION. 84B.2 WORKFORCE DEVELOPMENT
21 CENTERS -- LOCATION.

22 A workforce development center, as provided in section
23 84B.1, shall be located in each service delivery area. Each
24 workforce development center shall also maintain a presence,
25 through satellite offices or electronic means, in each county
26 located within that service delivery area. For purposes of
27 this section, "service delivery area" means the area included
28 within a merged area, as defined in section 260C.2, realigned
29 to the closest county border as determined by the department
30 of workforce development.

31 Sec. 19. Section 96.12, subsection 1, Code 1995, is
32 amended to read as follows:

33 1. DUTIES OF DIVISION DEPARTMENT. The ~~division-of-job~~
34 ~~service~~ department shall establish and maintain free public
35 employment ~~offices-in-such-number-and-in-such-places-as-may-be~~

1 ~~necessary for the proper administration of this chapter~~
2 services accessible to all Iowans for the purposes of this
3 chapter, and for the purpose of performing such the duties as
4 ~~are within the purview of the Act of Congress entitled "An Act~~
5 ~~to provide for the establishment of a national employment~~
6 ~~system and for co-operation with the states in the promotion~~
7 ~~of such system, and for other purposes"~~, approved June 6,
8 1933, ~~as amended, and known as~~ required by federal and state
9 laws relating to employment and training including the Wagner-
10 Peyser Act, [48 Stat. L. 1137, 29 U.S.C. § 49]. All duties
11 and powers conferred upon any other department, agency, or
12 officer of this state relating to the establishment,
13 maintenance, and operation of free employment offices services
14 shall be vested in the division department. The This state
15 accepts and shall comply with the provisions of the said
16 Wagner-Peyser Act of Congress, as amended, are hereby accepted
17 by this state, in conformity with section 4 of said Act, and
18 this state will observe and comply with the requirements
19 thereof. The division department is designated and
20 constituted the agency of this state for the purpose of said
21 the Wagner-Peyser Act. The division department may co-operate
22 with the railroad retirement board with respect to the
23 establishment, maintenance, and use of employment-service
24 department facilities. The railroad retirement board shall
25 compensate the division department for such the services or
26 facilities in the amount determined by the division department
27 to be fair and reasonable.

28 Sec. 20. Section 96.19, subsection 7, Code Supplement
29 1995, is amended by striking the subsection.

30 Sec. 21. Section 96.19, Code Supplement 1995, is amended
31 by adding the following new subsection:

32 NEW SUBSECTION. 11A. "Director" means the director of the
33 department of workforce development created in section 84A.1.

34 Sec. 22, Section 96.19, subsection 12, Code Supplement
35 1995, is amended by striking the subsection.

1 Sec. 23. AMENDMENTS CHANGING TERMINOLOGY -- DIRECTIVE TO
2 CODE EDITOR.

3 1. Sections 7B.2, 7B.5, 7E.5, 8.36, 11.5B, 13.7, 15.108,
4 15.241, 15E.111, 30.2, 30.5, 30.7, 68B.2, 85.31, 85.34, 85.37,
5 85.59, 86.8, 86.9, 88.2, 88A.1, 88B.1, 89A.1, 89B.3, 91.1,
6 91.4, 91C.2, 91C.7, 91C.8, 91E.1, 91E.2, 92.11, 92.12, 231.51,
7 231.52, 231.53, 239A.1, 239A.2, 239A.3, 241.3, 249C.3,
8 249C.14, 252B.7A, 252G.2, 260F.3, 260F.7, 626.29, and 912.3,
9 Code 1995, are amended by striking from the sections the words
10 "department of employment services" and inserting in lieu
11 thereof the words "department of workforce development".

12 2. Sections 96.3, 96.19, 225C.4, 256.38, 256.39, 279.51,
13 331.602, 331.653, 331.756, and 422.7, Code Supplement 1995,
14 are amended by striking from the sections the words "depart-
15 ment of employment services" and inserting in lieu thereof the
16 words "department of workforce development".

17 3. Sections 96.4, 96.9, 96.11, and 96.14, Code 1995, are
18 amended by striking from the sections the word "commissioner"
19 and inserting in lieu thereof the word "director".

20 4. Sections 96.3 and 96.6, Code Supplement 1995, are
21 amended by striking from the sections the word "commissioner"
22 and inserting in lieu thereof the word "director".

23 5. The Code editor is directed to substitute the words
24 "department of workforce development" for the words
25 "department of employment services" when there appears to be
26 no doubt as to the intent to refer to the department of
27 employment services.

28 6. The Code editor is directed to substitute the words
29 "director of the department of workforce development" for the
30 words "job service commissioner" elsewhere in the Code.

31 7. The Code editor is directed to substitute the word
32 "department" for the word "division" or "division of job
33 service" or "division of job service of the department of
34 employment services", in chapter 96, when there appears to be
35 no doubt as to the intent, to refer to the "division of job

1 service".

2 8. The Code editor is directed to substitute the words
3 "department of workforce development" for the words "division
4 of job service", or "division of job service of the department
5 of employment services", except for chapter 96, elsewhere in
6 the Code.

7 Sec. 24. The director of the department of workforce
8 development shall, in cooperation with the department of
9 personnel, make recommendations to the department of personnel
10 concerning the development and implementation of a new
11 position classification plan for the department. The position
12 classification plan shall reflect the expanded
13 responsibilities of the department, facilitate the integration
14 of job training and job placement programs, foster a
15 professional, innovative, and high performance working
16 environment, and provide flexibility in designing and
17 implementing local and regional workforce development delivery
18 systems.

19 The new position classification plan shall be adopted by
20 the department of personnel and implemented by the department
21 of workforce development not later than January 1, 1997.
22 Employees of the department of employment services and
23 employees who were assigned to the department of economic
24 development prior to July 1, 1996, shall have an equal
25 opportunity to apply for the positions established in the new
26 position classification plan.

27 The department of personnel shall assist the department of
28 workforce development with the implementation of this section.

29 In designing the local, regional, and state service
30 delivery system for Iowa, the director of the department of
31 workforce development shall minimize administrative costs,
32 encourage federal, state, and local government collaboration,
33 maximize the use of public and private resources, and provide
34 opportunities to respond to locally determined needs and
35 priorities while ensuring equal access to core or common

1 employment and training services, as defined by federal law
2 and regulation.

3 Sec. 25. Any personnel who are mandatorily transferred due
4 to the effect of this Act shall be so transferred without any
5 loss in salary, benefits, or accrued years of service.

6 Sec. 26. REPEALS.

7 1. Sections 15.224 through 15.230, section 96.10, and
8 section 239.22, Code 1995, are repealed.

9 2. Sections 15.347 and 15.348, Code Supplement 1995, are
10 repealed.

11

EXPLANATION

12 This bill creates the department of workforce development.
13 This new department replaces the current department of
14 employment services. In addition, the bill transfers certain
15 responsibilities from the department of economic development
16 to the new department of workforce development. The bill also
17 provides that the merit system provisions of chapter 19A do
18 not apply to professional and technical employees of the new
19 department unless otherwise required by federal law or if the
20 employees are in the division of labor services or the
21 division of industrial services. The bill also provides that
22 a new position classification plan be adopted for the new
23 department. In addition, the bill eliminates the division of
24 job service and job service commissioner with the director of
25 the department of workforce development and the new department
26 being given these duties.

27 The bill provides that the department of economic
28 development is responsible for incorporating workforce
29 development as a component of community-based economic
30 development planning activities and for reviewing workforce
31 development as it relates to the state's economic development
32 agenda.

33 The bill provides that the new department of workforce
34 development undertake several additional duties previously
35 administered by other departments. The new department is

1 responsible for developing a job training delivery system,
2 managing job training program reporting, and administering the
3 Iowa conservation corps, workforce development centers, the
4 workforce investment program, and the statewide mentoring
5 program.

6 The bill establishes a workforce development board,
7 consisting of eight voting members with equal representation
8 of business and labor members, and seven ex officio members.
9 The board is directed to develop 20-year and five-year
10 comprehensive workforce development plans. The board shall
11 also approve the budget of the new department of workforce
12 development, establish guidelines and review procedures
13 concerning the awarding and monitoring of grants and contracts
14 awarded by the department, and adopt administrative rules for
15 the department.

16 The bill also establishes regional advisory boards within
17 each community college district extended to the county
18 borders. The regional boards shall provide for equal
19 representation of business and labor and include certain
20 county, city, and school officials. The regional boards are
21 established to provide advice concerning workforce development
22 issues to the workforce development board and the department
23 and to monitor the performance of grants awarded in the
24 region. The regional boards shall also select a regional
25 administrative entity, with certain minimum qualifications, to
26 be responsible for the implementation and coordination of the
27 delivery of program services throughout the region.

28 The bill also requires the location of a workforce
29 development center within each merged area as defined in
30 section 260C.2, realigned to the closest county border by the
31 new department, and to provide a presence, through satellite
32 offices or electronic means, in each county within the merged
33 area.

34
35

HSB693

ECONOMIC DEVELOPMENT

SF/HF 2463

SENATE/HOUSE FILE _____

BY (PROPOSED GOVERNOR'S BILL)

Brand Bradley
McCoy Heaton
Nelson, B

Passed Senate, Date _____

Passed House, Date _____

Vote: Ayes _____ Nays _____

Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act establishing a workforce development department by
2 eliminating the department of employment services and
3 including workforce development programs in the new
4 department.

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

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Succeeded By

1 Section 1. Section 15.108, subsection 6, Code 1995, is
2 amended to read as follows:

3 6. JOB EMPLOYEE TRAINING AND ENTREPRENEURIAL-ASSISTANCE
4 RETRAINING. To develop job employee training and retraining
5 strategies in coordination with the department of education
6 and department of workforce development as tools for business
7 development, business expansion, and enhanced competitiveness
8 of Iowa industry, which will promote economic growth and the
9 creation of new job opportunities and to administer related
10 programs ~~including-the-federal-Job-Training-Partnership-Act.~~

11 To carry out this responsibility, the department shall:

12 a. Coordinate and perform the duties specified under the
13 ~~job-training-partnership-program-in-chapter-7B,~~ the Iowa
14 industrial new jobs training Act in chapter 260E, and the Iowa
15 small business new jobs training Act in chapter 260F, the
16 workforce development fund in section 15.341, and the loan
17 loss reserve account in section 15.345. In performing these
18 duties, the department shall:

19 ~~(1)--Develop-a-job-training-delivery-system-which-will~~
20 ~~minimize-administrative-costs-through-a-single-delivery~~
21 ~~system,-maximize-the-use-of-public-and-private-resources-for~~
22 ~~job-training-initiatives,-and-assume-the-coordination-of-ser-~~
23 ~~vices-and-activities-with-other-related-programs-at-both-the~~
24 ~~state-and-local-level.~~

25 ~~(2)--Manage-a-job-training-program-reporting-and-evaluation~~
26 ~~system-which-will-measure-program-performance,-identify~~
27 ~~program-accomplishments-and-service-levels,-evaluate-how-well~~
28 ~~job-training-programs-are-being-coordinated-among-themselves~~
29 ~~and-with-other-related-programs,-and-show-areas-where-job~~
30 ~~training-efforts-need-to-be-improved.~~

31 ~~(3)--Maintain-a-financial-management-system,-file~~
32 ~~appropriate-administrative-rules,-and-monitor-the-performance~~
33 ~~of-agencies-and-organizations-involved-with-the-administration~~
34 ~~of-job-training-programs-assigned-to-the-department.~~

35 b.--Develop-job-training-strategies-which-will-promote

1 economic-growth-and-the-creation-of-new-job-opportunities.

2 Specifically, the department shall:

3 (1) Work closely with representatives of business and
4 industry, labor organizations, the council on human
5 investment, the department of education, and the department of
6 workforce development, and educational institutions to
7 determine the job employee training needs of Iowa employers,
8 and where possible, provide for the development of industry-
9 specific training programs.

10 (2) Promote Iowa job employee training programs to
11 potential and existing Iowa employers and to employer
12 associations.

13 (3) Develop annual goals and objectives which will
14 identify both short-term and long-term methods to improve
15 program performance, create employment opportunities for
16 residents, and enhance the delivery of services.

17 (4) ~~Develop job training and technical assistance programs~~
18 ~~which will promote entrepreneurial activities, assist small~~
19 ~~businesses, and help generate off-farm employment~~
20 ~~opportunities for persons engaged in farming.~~ Stimulate the
21 creation of innovative employee training and skills
22 development activities, including business consortium and
23 supplier network training programs, and new employee
24 development training models.

25 (5) Coordinate job employee training activities with other
26 economic development finance programs to stimulate job growth.

27 (6) ~~Develop policies and plans under the youth program~~
28 ~~provisions of appropriate programs which will emphasize~~
29 ~~employing Iowa youth on projects designed to improve Iowa~~
30 ~~parks and recreation areas, restore historical sites, and~~
31 ~~promote tourism.~~ ~~The department shall coordinate its youth~~
32 ~~program efforts with representatives of educational~~
33 ~~institutions to promote the understanding by youth of career~~
34 ~~opportunities in business and industry.~~ Review workforce
35 development initiatives as they relate to the state's economic

1 development agenda, recommending action as necessary to meet
2 the needs of Iowa's communities and businesses.

3 (7) Incorporate workforce development as a component of
4 community-based economic development activities.

5 ~~c.--To-the-extent-feasible, develop from available state~~
6 ~~and federal job training program resources an entrepreneurship~~
7 ~~training program to help encourage the promotion of small~~
8 ~~businesses within the state.--The department of education and~~
9 ~~the state board of regents shall cooperate with the department~~
10 ~~on this program.--The entrepreneurship training program shall~~
11 ~~coordinate its activities with other financial and technical~~
12 ~~assistance efforts within the department.~~

13 ~~d.--Administer the Iowa "self-employment loan program"~~
14 ~~under section 15.241.~~

15 ~~e.--To-the-extent-feasible, provide assistance to the~~
16 ~~department of human services in obtaining a waiver to provide~~
17 ~~self-employment opportunities to recipients of assistance~~
18 ~~under the family investment program.~~

19 ~~f.--Provide assistance to workers seeking economic~~
20 ~~conversion of closed or economically distressed plants located~~
21 ~~in the state including, but not limited to, the following:~~

22 ~~(1)--Evaluating the feasibility and economic viability of~~
23 ~~proposed employee-owned businesses.~~

24 ~~(2)--Working with the small business development centers to~~
25 ~~provide technical assistance and counseling services~~
26 ~~including, but not limited to, legal, tax, management,~~
27 ~~marketing, labor, and contract assistance to persons who seek~~
28 ~~to form employee-owned businesses.~~

29 ~~(3)--Assisting persons in obtaining financing for the~~
30 ~~purchase and operation of employee-owned businesses.~~

31 Sec. 2. Section 15.108, subsection 7, Code 1995, is
32 amended by adding the following new paragraph:

33 NEW PARAGRAPH. k. Administer the Iowa "self-employment
34 loan program" under section 15.241.

35 Sec. 3. Section 15.108, subsection 9, paragraph a, Code

1 1995, is amended to read as follows:

2 a. Collect and assemble, or cause to have collected and
3 assembled, all pertinent information available regarding the
4 industrial, agricultural, and public and private recreation
5 and tourism opportunities and possibilities of the state of
6 Iowa, including raw materials and products that may be
7 produced from them; power and water resources; transportation
8 facilities; available markets; ~~the-availability-of-labor;~~ the
9 banking and financing facilities; the availability of
10 industrial sites; the advantages of the state as a whole, and
11 the particular sections of the state, as industrial locations;
12 the development of a grain alcohol motor fuel industry and its
13 related products; and other fields of research and study as
14 the board deems necessary. This information, as far as
15 possible, shall consider both the encouragement of new
16 industrial enterprises in the state and the expansion of
17 industries now existing within the state, and allied fields to
18 those industries. The information shall also consider the
19 changing composition of the Iowa family, and the level of
20 poverty among different age groups and different family
21 structures in Iowa society, ~~and the-changing-composition-of~~
22 ~~the-Iowa-work-force-and-the~~ their ~~impact of-these-changes~~ on
23 Iowa families.

24 Sec. 4. Section 15.108, subsection 9, Code 1995, is
25 amended by adding the following new paragraph:

26 NEW PARAGRAPH. f. Provide technical assistance to
27 individuals who are pursuing the purchase and operation of
28 employee-owned businesses.

29 Sec. 5. Section 15.343, subsection 1, paragraph a, Code
30 Supplement 1995, is amended to read as follows:

31 a. Notwithstanding section 8.33, all unencumbered and
32 unobligated funds from 1994 Iowa Acts, chapter 1201, section
33 1, subsection 6, except paragraph "d", section 3, subsections
34 1 and 3, and section 10, remaining on July 1, 1995, and all
35 unencumbered and unobligated funds in the Iowa conservation

1 corps escrow account established in section ~~15-229~~ 84A.4 and
2 the job training fund established in section 260F.6.

3 Sec. 6. Section 15.343, subsection 2, paragraph a, Code
4 Supplement 1995, is amended to read as follows:

5 a. The Iowa conservation corps created in ~~sections-15-224~~
6 ~~through-15-230~~ section 84A.4.

7 Sec. 7. Section 15.343, subsection 2, paragraph e, Code
8 Supplement 1995, is amended to read as follows:

9 e. For the workforce investment program under section
10 ~~15-348~~ 84A.5.

11 Sec. 8. Section 84A.1, Code 1995, is amended to read as
12 follows:

13 84A.1 DEPARTMENT OF EMPLOYMENT-SERVICES WORKFORCE
14 DEVELOPMENT -- DIRECTOR -- DIVISIONS.

15 1. The department of employment-services workforce
16 development is created to administer the laws of this state
17 relating to unemployment compensation insurance, job placement
18 and training, employment safety, labor standards, and workers'
19 compensation.

20 2. The chief executive officer of the department is the
21 director who shall be appointed by the governor, subject to
22 confirmation by the senate under the confirmation procedures
23 of section 2.32. The director shall serve at the pleasure of
24 the governor. ~~The-director-shall-be-subject-to-reconfirmation~~
25 ~~by-the-senate,-under-the-confirmation-procedures-of-section~~
26 ~~2-32,-during-the-regular-session-of-the-general-assembly~~
27 ~~convening-in-January-if-the-director-will-complete-the~~
28 ~~director's-fourth-year-in-office-on-or-before-the-following~~
29 ~~April-30~~. The governor shall set the salary of the director
30 within the applicable salary range established by the general
31 assembly. The director shall be selected solely on the
32 ability to administer the duties and functions granted to the
33 director and the department and shall devote full time to the
34 duties of the director. If the office of director becomes
35 vacant, the vacancy shall be filled in the same manner as the

1 original appointment was made.

2 The director of the department ~~of employment services~~ shall
3 ~~serve as job service commissioner and shall~~ prepare,
4 administer, and control the budget of the department and its
5 ~~divisions and shall approve the employment of all personnel of~~
6 ~~the department and its divisions.~~ The director shall employ
7 personnel as necessary to carry out the duties and
8 responsibilities of the department, consistent with the merit
9 system provisions of chapter 19A for employees other than
10 professional and technical employees. Professional and
11 technical employees of the department are exempt from the
12 merit system provisions of chapter 19A, except as otherwise
13 required by federal law and regulation, and except for
14 employees in the divisions of labor services and industrial
15 services.

16 The director shall direct the administrative and compliance
17 functions and control the docket of the division of industrial
18 services.

19 3. The department shall include ~~the division of job~~
20 ~~service~~, the division of labor services, and the division of
21 industrial services, and other divisions as appropriate.

22 Sec. 9. Section 84A.2, Code 1995, is amended to read as
23 follows:

24 84A.2 ~~DEPARTMENT-AND-DIVISION~~ DEPARTMENT'S PRIMARY
25 RESPONSIBILITIES.

26 The department of workforce development has the primary
27 responsibilities set out in this section.

28 1. The department shall develop and implement a workforce
29 development system which increases the skills of the Iowa
30 workforce, fosters economic growth and the creation of new
31 high skill and high wage jobs through job placement and
32 training services, increases the competitiveness of Iowa
33 businesses by promoting high performance workplaces, and
34 encourages investment in workers.

35 The workforce development system shall strive to provide

1 high quality services to its customers including workers,
2 families, and businesses. The department shall maintain a
3 common intake, assessment, and customer tracking system and to
4 the extent practical provide one-stop services to customers at
5 workforce development centers and other service access points.

6 The system shall include an accountability system to
7 measure program performance, identify accomplishments,
8 evaluate programs to ensure goals and standards are met. The
9 accountability system shall use information obtained from the
10 customer tracking system, the department of economic
11 development, the department of education, and training
12 providers to evaluate the effectiveness of programs
13 administered by the department. The accountability system
14 shall evaluate all of the following:

15 a. The impact of services on wages earned by individuals.

16 b. The effectiveness of training services providers in
17 raising the skills of the Iowa workforce.

18 c. The impact of placement and training services on Iowa's
19 families, communities, and economy.

20 The department shall make information from the customer
21 tracking and accountability system available to the department
22 of economic development, the department of education, and
23 other appropriate public agencies for the purpose of assisting
24 with the evaluation of programs administered by those
25 departments and agencies and for planning and researching
26 public policies relating to education and economic
27 development.

28 ~~1.~~ 2. The division-of-job-service department is
29 responsible for the administration of unemployment
30 compensation benefits and for the collection of employer
31 contributions under chapter 96, ---The-division-is-responsible
32 for-the-administration-of providing for the delivery of free
33 public employment offices services established pursuant to
34 chapter 96, other job placement and training programs
35 established pursuant to section 84A.3, and the administration

1 ~~of-the-offices-of-the-division~~ delivery of services located
2 throughout the state and ~~for-the-personnel-attached-to-these~~
3 offices. ~~The-executive-head-of-the-division-is-the-job~~
4 ~~service-commissioner,-appointed-pursuant-to-section-96.10-~~
5 ~~2-~~ 3. The division of labor services is responsible for
6 the administration of the laws of this state relating to
7 occupational health and safety, the inspection of amusement
8 rides, the removal and encapsulation of asbestos, the
9 inspection of boilers, wage payment collection, registration
10 of construction contractors, the minimum wage, non-English
11 speaking employees, child labor, employment agency licensing,
12 boxing and wrestling, inspection of elevators, and hazardous
13 chemical risks under chapters 88, 88A, 88B, 89, 89A, 89B, 90A,
14 91, 91A, 91C, 91D, 91E, 92, 94, and 95. The executive head of
15 the division is the labor commissioner, appointed pursuant to
16 section 91.2.

17 ~~3-~~ 4. The division of industrial services is responsible
18 for the administration of the laws of this state relating to
19 workers' compensation under chapters 85, 85A, 85B, 86, and 87.
20 The executive head of the division is the industrial
21 commissioner, appointed pursuant to section 86.1.

22 ~~4-~~ 5. The director shall form a coordinating committee
23 composed of the ~~job-service-commissioner~~ director, the labor
24 commissioner, ~~and the industrial commissioner, and other~~
25 administrators. The committee shall monitor federal
26 compliance issues relating to coordination of functions among
27 the divisions.

28 6. The department shall administer the following programs:

29 a. The Iowa conservation corps established under section
30 84A.4.

31 b. The workforce investment program established under
32 section 84A.5.

33 c. The statewide mentoring program established under
34 section 84A.6.

35 d. The workforce development centers established under

1 chapter 84B.

2 e. Apprenticeship programs under section 260C.44.

3 f. Job training partnership programs under chapter 7B.

4 7. The department shall work with the department of
5 economic development to incorporate workforce development as a
6 component of community-based economic development.

7 Sec. 10. Section 84A.3, Code 1995, is amended to read as
8 follows:

9 84A.3 JOB PLACEMENT AND TRAINING PROGRAMS.

10 1. ~~The job-service commissioner, in coordination with the~~
11 ~~department of economic development, may provide, with or~~
12 ~~without reimbursement, intake, client eligibility, and a~~
13 ~~significant portion of job placement services to individuals~~
14 ~~participating in the job training partnership program~~
15 ~~established under chapter 7B.~~ The department of employment
16 services workforce development, the department of education,
17 and the department of economic development shall work together
18 to develop policies encouraging coordination between job
19 training skill development, labor exchange, and economic
20 development activities.

21 ~~2. The job-service commissioner, in cooperation with the~~
22 ~~department of elder affairs, shall establish an experimental~~
23 ~~retired-Iowan employment program. The program shall encourage~~
24 ~~and promote the meaningful employment of retired citizens of~~
25 ~~the state.~~

26 2. The director, in cooperation with the department of
27 human services, shall provide job placement and training to
28 persons referred by the department of human services under the
29 PROMISE JOBS program established pursuant to chapter 249C and
30 the food stamp employment and training program.

31 3. ~~The job-service commissioner~~ director, in cooperation
32 with the department of human rights and the vocational
33 rehabilitation division of the department of education, shall
34 establish a program to provide job placement and training to
35 persons with disabilities.

1 Sec. 11. NEW SECTION. 84A.4 IOWA CONSERVATION CORPS.

2 1. DEFINITIONS. As used in this section, unless the
3 context otherwise requires:

4 a. "Account" means the Iowa conservation corps account.

5 b. "Corps" means the Iowa conservation corps.

6 2. IOWA CONSERVATION CORPS ESTABLISHED. The Iowa
7 conservation corps is established in this state to provide
8 meaningful and productive public service jobs for the youth,
9 the unemployed, the disabled, the disadvantaged, and the
10 elderly, and to provide participants with an opportunity to
11 explore careers, gain work experience, and contribute to the
12 general welfare of their communities and the state. The corps
13 shall provide opportunities in the areas of natural resource
14 and wildlife conservation, park maintenance and restoration,
15 land management, energy savings, community improvement
16 projects, tourism, economic development, and work benefiting
17 human services programs. The department of workforce
18 development shall administer the corps and shall adopt rules
19 governing its operation, eligibility for participation, cash
20 contributions, and implementation of an incentive program.

21 3. FUNDING. Corps projects shall be funded by
22 appropriations to the Iowa conservation corps account and by
23 cash, services, and material contributions made by other state
24 agencies or local public and private agencies. Public and
25 private entities who benefit from a corps project shall
26 contribute at least thirty-five percent of the total project
27 budget. The contributions may be in the form of cash,
28 materials, or services. Materials and services shall be
29 intended for the project and acceptable to the department.
30 Minimum levels of contributions shall be prescribed in rules
31 adopted by the department.

32 4. ACCOUNT CREATED. The Iowa conservation corps account
33 is established within and administered by the department. The
34 account shall include all appropriations made to programs
35 administered by the corps, and may also include moneys

1 contributed by a private individual or organization, or a
2 public entity for the purpose of implementing corps programs
3 and projects. The department may establish an escrow account
4 within the department and obligate moneys within that escrow
5 account for tuition payments to be made beyond the term of any
6 fiscal year. Interest earned on moneys in the Iowa
7 conservation corps account shall be credited to the account.

8 Sec. 12. NEW SECTION. 84A.5 WORKFORCE INVESTMENT
9 PROGRAM.

10 A workforce investment program is established to enable
11 more Iowans to enter or reenter the workforce. The workforce
12 investment program shall provide training and support services
13 to population groups that have historically faced barriers to
14 employment. The department of workforce development shall
15 administer the workforce investment program and shall adopt
16 rules governing its operation and eligibility guidelines for
17 participation.

18 Sec. 13. NEW SECTION. 84A.6 STATEWIDE MENTORING PROGRAM.

19 A statewide mentoring program is established to recruit,
20 screen, train, and match individuals in a mentoring
21 relationship. The department of workforce development shall
22 administer the program in collaboration with the departments
23 of human services, education, and human rights. The
24 availability of the program is subject to the funding
25 appropriated for the purposes of the program.

26 Sec. 14. Section 84B.1, unnumbered paragraph 1, Code 1995,
27 is amended to read as follows:

28 The ~~departments~~ department of ~~employment-services-and~~
29 ~~economic~~ workforce development, in consultation with the
30 departments of economic development, education, elder affairs,
31 human services, and human rights, and the department for the
32 blind, shall establish guidelines for collocating state and
33 federal employment and training programs in centers providing
34 services at the local level. The centers shall be known as
35 workforce development centers. The departments shall also

1 jointly establish an integrated management information system
2 for linking the programs within a local center to the same
3 programs within other local centers and to the state. The
4 guidelines shall provide for local design and operation within
5 the guidelines. The core services available at a center shall
6 include but are not limited to all of the following:

7 Sec. 15. Section 96.12, subsection 1, Code 1995, is
8 amended to read as follows:

9 1. DUTIES OF DIVISION DEPARTMENT. The ~~division-of-job~~
10 ~~service department~~ shall establish and maintain free public
11 ~~employment offices-in-such-number-and-in-such-places-as-may-be~~
12 ~~necessary-for-the-proper-administration-of-this-chapter~~
13 services accessible to all Iowans for the purposes of this
14 chapter, and for the purpose of performing such the duties as
15 ~~are-within-the-purview-of-the-Act-of-Congress-entitled-"An-Act~~
16 ~~to-provide-for-the-establishment-of-a-national-employment~~
17 ~~system-and-for-co-operation-with-the-states-in-the-promotion~~
18 ~~of-such-system,-and-for-other-purposes",-approved-June-6,~~
19 ~~1933,-as-amended,-and-known-as~~ required by federal and state
20 laws relating to employment and training including the Wagner-
21 Peyser Act, [48 Stat. L. 113, 29 U.S.C. § 49]. All duties
22 and powers conferred upon any other department, agency, or
23 officer of this state relating to the establishment,
24 maintenance, and operation of free employment offices services
25 shall be vested in the division department. The This state
26 accepts and shall comply with the provisions of the said
27 Wagner-Peyser Act of Congress, as amended,-are-hereby-accepted
28 by-this-state,-in-conformity-with-section-4-of-said-Act,-and
29 this-state-will-observe-and-comply-with-the-requirements
30 thereof. The division department is designated and
31 constituted the agency of this state for the purpose of said
32 the Wagner-Peyser Act. The division department may co-operate
33 with the railroad retirement board with respect to the
34 establishment, maintenance, and use of employment-service
35 department facilities. The railroad retirement board shall

1 compensate the division department for such the services or
2 facilities in the amount determined by the division department
3 to be fair and reasonable.

4 Sec. 16. Section 96.19, subsection 7, Code Supplement
5 1995, is amended by striking the subsection.

6 Sec. 17. Section 96.19, Code Supplement 1995, is amended
7 by adding the following new subsection:

8 NEW SUBSECTION. 11A. "Director" means the director of the
9 department of workforce development created in section 84A.1.

10 Sec. 18. Section 96.19, subsection 12, Code Supplement
11 1995, is amended by striking the subsection.

12 Sec. 19. AMENDMENTS CHANGING TERMINOLOGY -- DIRECTIVE TO
13 CODE EDITOR.

14 1. Sections 7B.2, 7B.5, 7E.5, 8.36, 11.5B, 13.7, 15.108,
15 15.241, 15E.111, 30.2, 30.5, 30.7, 68B.2, 85.31, 85.34, 85.37,
16 85.59, 86.8, 86.9, 88.2, 88A.1, 88B.1, 89A.1, 89B.3, 91.1,
17 91.4, 91C.2, 91C.7, 91C.8, 91E.1, 91E.2, 92.11, 92.12, 231.51,
18 231.52, 231.53, 239A.1, 239A.2, 239A.3, 241.3, 249C.3,
19 249C.14, 252B.7A, 252G.2, 260F.3, 260F.7, 626.29, and 912.3,
20 Code 1995, are amended by striking from the sections the words
21 "department of employment services" and inserting in lieu
22 thereof the words "department of workforce development".

23 2. Sections 96.3, 96.19, 225C.4, 256.38, 256.39, 279.51,
24 331.602, 331.653, 331.756, and 422.7, Code Supplement 1995,
25 are amended by striking from the sections the words "depart-
26 ment of employment services" and inserting in lieu thereof the
27 words "department of workforce development".

28 3. Sections 96.4, 96.9, 96.11, and 96.14, Code 1995, are
29 amended by striking from the sections the word "commissioner"
30 and inserting in lieu thereof the word "director".

31 4. Sections 96.3 and 96.6, Code Supplement 1995, are
32 amended by striking from the sections the word "commissioner"
33 and inserting in lieu thereof the word "director".

34 5. The Code editor is directed to substitute the words
35 "department of workforce development" for the words

1 "department of employment services" when there appears to be
2 no doubt as to the intent to refer to the department of
3 employment services.

4 6. The Code editor is directed to substitute the words
5 "director of the department of workforce development" for the
6 words "job service commissioner" elsewhere in the Code.

7 7. The Code editor is directed to substitute the word
8 "department" for the word "division" or "division of job
9 service" or "division of job service of the department of
10 employment services", in chapter 96, when there appears to be
11 no doubt as to the intent, to refer to the "division of job
12 service".

13 8. The Code editor is directed to substitute the words
14 "department of workforce development" for the words "division
15 of job service", or "division of job service of the department
16 of employment services", except for chapter 96, elsewhere in
17 the Code.

18 Sec. 20. The director of the department of workforce
19 development shall, in cooperation with the department of
20 personnel, make recommendations to the department of personnel
21 concerning the development and implementation of a new
22 position classification plan for the department. The position
23 classification plan shall reflect the expanded
24 responsibilities of the department, facilitate the integration
25 of job training and job placement programs, foster a
26 professional, innovative, and high performance working
27 environment, and provide flexibility in designing and
28 implementing local and regional workforce development delivery
29 systems.

30 The new position classification plan shall be adopted by
31 the department of personnel and implemented by the department
32 of workforce development not later than January 1, 1997.
33 Employees of the department of employment services and
34 employees who were assigned to the department of economic
35 development prior to July 1, 1996, shall have an equal

1 opportunity to apply for the positions established in the new
2 position classification plan.

3 The department of personnel shall assist the department of
4 workforce development with the implementation of this section.

5 In designing the local, regional, and state service
6 delivery system for Iowa, the director of the department of
7 workforce development shall minimize administrative costs,
8 encourage federal, state, and local government collaboration,
9 maximize the use of public and private resources, and provide
10 opportunities to respond to locally determined needs and
11 priorities while ensuring equal access to core or common
12 employment and training services, as defined by federal law
13 and regulation.

14 Sec. 21. Any personnel who are mandatorily transferred due
15 to the effect of this Act shall be so transferred without any
16 loss in salary, benefits, or accrued years of service.

17 Sec. 22. REPEALS.

18 1. Sections 15.224 through 15.230, section 96.10, and
19 section 239.22, Code 1995, are repealed.

20 2. Sections 15.347 and 15.348, Code Supplement 1995, are
21 repealed.

22 EXPLANATION

23 This bill creates the department of workforce development.
24 This new department replaces the current department of
25 employment services. In addition, the bill transfers certain
26 responsibilities from the department of economic development
27 to the new department of workforce development. The bill also
28 provides that the merit system provisions of chapter 19A do
29 not apply to professional and technical employees of the new
30 department unless otherwise required by federal law or if the
31 employees are in the division of labor services or the
32 division of industrial services. The bill also provides that
33 a new position classification plan be adopted for the new
34 department. In addition, the bill eliminates the division of
35 job service and job service commissioner with the director of

1 the department of workforce development and the new department
2 being given these duties.

3 The bill provides that the department of economic
4 development is responsible for incorporating workforce
5 development as a component of community-based economic
6 development planning activities and for reviewing workforce
7 development as it relates to the state's economic development
8 agenda.

9 The bill provides that the new department of workforce
10 development undertake several additional duties previously
11 administered by other departments. The new department is
12 responsible for developing a job training delivery system,
13 managing job training program reporting, and administering the
14 Iowa conservation corps, workforce development centers, the
15 workforce investment program, and the statewide mentoring
16 program.

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