

4-7-98 Referred To: Wray & Means

FEB 19 1998

ECONOMIC DEVELOPMENT

HOUSE FILE 2361
BY LAMBERTI

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

A BILL FOR

1 An Act relating to funding of new jobs training programs.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

77 2361

1 Section 1. Section 260E.5, subsection 2, Code 1997, is
2 amended to read as follows:

3 2. An amount equal to one and one-half percent of the
4 gross wages paid by the employer to each employee
5 participating in a project shall be credited from the payment
6 made by an employer pursuant to section 422.16. If the amount
7 of the withholding by the employer is less than one and one-
8 half percent of the gross wages paid to the employees covered
9 by the agreement, then the employer shall receive a credit
10 against other withholding taxes due by the employer. The
11 employer shall remit the amount of the credit quarterly in the
12 same manner as withholding payments are reported to the
13 department of revenue and finance, to the community college to
14 be allocated to and when collected paid into a special fund of
15 the community college to pay the principal of and interest on
16 loans, moneys advanced including interfund transfers and
17 loans, or other indebtedness, whether funded, refunded,
18 assumed, or otherwise, including certificates issued by the
19 community college to finance or refinance, in whole or in
20 part, the project. When the principal and interest on the
21 loans, moneys advanced including interfund transfers and
22 loans, or other indebtedness, whether funded, refunded,
23 assumed, or otherwise, including certificates have been paid,
24 the employer credits shall cease and any money received after
25 the certificates have been paid shall be remitted to the
26 treasurer of state to be deposited in the general fund of the
27 state.

28 EXPLANATION

29 This bill amends Code section 260E.5 relating to the
30 funding of new jobs training projects. Currently, community
31 colleges may borrow money and issue and sell certificates to
32 provide moneys for the costs of a new jobs training project.
33 The certificates are paid through the new jobs credit from
34 withholding remitted by the employer. The bill authorizes
35 community colleges to fund new jobs training projects from

1 community college moneys without incurring additional
2 indebtedness through the selling of certificates. The bill
3 allows community colleges to use loans, other indebtedness, or
4 moneys advanced, including interfund transfers, to finance the
5 new jobs training projects.

- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28
- 29
- 30
- 31
- 32
- 33
- 34
- 35