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HOUSE FILE 655
BY COMMITTEE ON APPROPRIATIONS

APPROPRIATIONS CALENDAR

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Vote: Ayes 95 Nays 2 Vote: Ayes 43 Nays 4

Approved April 22, 1997
James
Wicks

A BILL FOR

1 An Act appropriating funds to the department of economic
2 development, certain board of regents institutions, the
3 department of workforce development, the public employment
4 relations board, making statutory changes, and providing an
5 effective date.

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

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HF 655

1 Section 1. DEPARTMENT OF ECONOMIC DEVELOPMENT. There is
 2 appropriated from the general fund of the state and other
 3 designated funds to the department of economic development for
 4 the fiscal year beginning July 1, 1997, and ending June 30,
 5 1998, the following amounts, or so much thereof as is
 6 necessary, to be used for the purposes designated:

7 1. ADMINISTRATIVE SERVICES DIVISION

8 a. General administration

9 For salaries, support, maintenance, miscellaneous purposes,
 10 and for providing that a business receiving moneys from the
 11 department for the purpose of job creation shall make
 12 available ten percent of the new jobs created for promise jobs
 13 program participants who are qualified for the jobs created
 14 and for not more than the following full-time equivalent
 15 positions:

16 \$ 1,461,470
 17 FTES 23.75

18 b. Film office

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

22 \$ 228,493
 23 FTES 2.00

24 2. BUSINESS DEVELOPMENT DIVISION

25 a. Business development operations

26 For salaries, support, maintenance, miscellaneous purposes,
 27 for not more than the following full-time equivalent
 28 positions, for allocating \$495,000 to support activities in
 29 conjunction with the Iowa manufacturing technology center,
 30 \$150,000 to the graphic arts center, and \$100,000 to the
 31 university of northern Iowa for operation of industrial
 32 technology programs at the ag based industrial lubrication
 33 center:

34 \$ 3,916,397
 35 FTES 17.76

1 The business development division may expend up to \$125,000
 2 for a pilot project relating to labor availability recruitment
 3 in the areas of information technologists, engineering, and
 4 building trades. If a pilot project is implemented, the
 5 business development division shall submit a progress report
 6 to the general assembly no later than January 1, 1998.

7 The department shall develop minimum requirements for
 8 buildings and sites to be listed on the IMEDIA system.

9 b. Small business programs

10 For salaries, support, maintenance, miscellaneous purposes,
 11 and for not more than the following full-time equivalent
 12 positions for the small business program, the small business
 13 advisory council, and targeted small business program:

14	\$	445,463
15	FTEs	5.00

16 c. Federal procurement office

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

20	\$	101,585
21	FTEs	3.00

22 Notwithstanding section 8.33, moneys remaining unencumbered
 23 or unobligated on June 30, 1998, shall not revert and shall be
 24 available for expenditure during the fiscal year beginning
 25 July 1, 1998, for the same purposes.

26 d. Strategic investment fund

27 For deposit in the strategic investment fund for salaries,
 28 support, for not more than the following full-time equivalent
 29 positions:

30	\$	6,846,466
31	FTEs	10.50

32 The department may allocate from the strategic investment
 33 fund up to \$600,000 for the entrepreneurial ventures
 34 assistance program. The department shall seek the advice,
 35 consultation, and cooperation of the entrepreneurial centers

1 and the major benefactor of the centers in the implementation
2 of the entrepreneurial ventures assistance program.

3 The department shall provide an annual report on the
4 progress made by the department in making the community
5 economic betterment program a self-sustaining, revolving loan
6 program.

7 e. Insurance economic development

8 There is appropriated from moneys collected by the division
9 of insurance in excess of the anticipated gross revenues under
10 section 505.7, subsection 3, to the department for the fiscal
11 year beginning July 1, 1997, and ending June 30, 1998, the
12 following amount, or so much thereof as is necessary, for
13 insurance economic development and international insurance
14 economic development:

15 \$ 200,000

16 f. Value-added agriculture

17 There is appropriated from the moneys available to support
18 value-added agricultural products and processes, four percent,
19 or so much thereof as is necessary, of the total moneys
20 available to support value-added agricultural products and
21 processes pursuant to section 423.24 each quarter for
22 administration of the value-added agricultural products and
23 processes financial assistance program as provided in section
24 15E.111, including salaries, support, maintenance,
25 miscellaneous purposes, and for not more than 2.00 FTEs.

26 3. COMMUNITY DEVELOPMENT DIVISION

27 a. Community assistance

28 For salaries, support, maintenance, miscellaneous purposes,
29 and for not more than the following full-time equivalent
30 positions for administration of the community economic
31 preparedness program, the Iowa community betterment program,
32 and the city development boards:

33 \$ 589,741

34 FTEs 8.50

35 There is also appropriated from the rural community 2000

1 program revolving fund established in section 15.287 to the
2 community assistance program for the purposes of the community
3 economic preparedness program:

4 \$ 50,000

5 b. Main street/rural main street program

6 For salaries and support for not more than the following
7 full-time equivalent positions:

8 \$ 418,931

9 FTEs 3.00

10 Notwithstanding section 8.33, moneys committed to grantees
11 under contract from the general fund of the state that remain
12 unexpended on June 30, 1998, shall not revert to any fund but
13 shall be available for expenditure for purposes of the
14 contract during the fiscal year beginning July 1, 1998.

15 c. Community development program

16 For salaries, support, maintenance, miscellaneous purposes,
17 for not more than the following full-time equivalent
18 positions, for rural resource coordination, rural community
19 leadership, rural innovations grant program, and the rural
20 enterprise fund:

21 \$ 720,055

22 FTEs 4.50

23 From moneys appropriated under this paragraph, the
24 department shall distribute \$150,000 equally to Iowa's
25 councils of governments for planning and technical assistance
26 to assist local governments in developing community
27 development strategies for addressing long-term and short-term
28 community needs.

29 There is also appropriated from the rural community 2000
30 program revolving fund established in section 15.287 to the
31 rural development program for the purposes of the program
32 including the rural enterprise fund and collaborative skills
33 development training:

34 \$ 529,000

35 Notwithstanding section 8.33, moneys committed to grantees

1 under contract from the general fund of the state or through
2 transfers from the Iowa community development loan fund or
3 from the rural community 2000 program revolving fund that
4 remain unexpended on June 30, 1998, shall not revert but shall
5 be available for expenditure for purposes of the contract
6 during the fiscal year beginning July 1, 1998.

7 d. Community development block grant and HOME

8 For administration and related federal housing and urban
9 development grant administration for salaries, support,
10 maintenance, miscellaneous purposes, and for not more than the
11 following full-time equivalent positions:

12	\$	412,505
13	FTEs	18.75

14 e. Housing development fund

15 For providing technical assistance to communities of all
16 sizes and local financial institutions to help meet local
17 housing needs and to provide and transfer matching funds for
18 the HOME program:

19	\$	1,300,000
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20 Notwithstanding section 8.33, moneys committed to grantees
21 under contract from the housing development fund and moneys
22 transferred for matching funds for the HOME program that
23 remain unexpended or unobligated on June 30, 1998, shall not
24 revert to any fund but shall be available for obligation and
25 expenditure for purposes of those programs during the fiscal
26 year beginning July 1, 1998.

27 f. Shelter assistance program

28 For the purposes of the shelter assistance fund:

29	\$	400,000
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30 4. INTERNATIONAL DIVISION

31 a. International trade operations

32 For salaries, support, maintenance, miscellaneous purposes,
33 for allocating \$100,000 to develop markets in, investment
34 opportunities with, and direct trade with greater China, none
35 of which is to be used for gubernatorial or legislative travel

1 purposes, and for not more than the following full-time
2 equivalent positions:

3 \$ 1,317,360
4 FTEs 10.00

5 From among the full-time equivalent positions authorized by
6 this lettered paragraph, one position shall concentrate on the
7 export sale of grain, one on the export sale of livestock, and
8 one on the export sale of value-added agricultural products.

9 b. Foreign trade offices

10 For salaries, support, maintenance, and miscellaneous
11 purposes:

12 \$ 651,150

13 c. Export trade assistance program

14 For export trade activities, including a program to
15 encourage and increase participation in trade shows and trade
16 missions by providing financial assistance to businesses for a
17 percentage of their costs of participating in trade shows and
18 trade missions, by providing for the lease/sublease of
19 showcase space in existing world trade centers, by providing
20 temporary office space for foreign buyers, international
21 prospects, and potential reverse investors, and by providing
22 other promotional and assistance activities, including
23 salaries and support:

24 \$ 425,000

25 Notwithstanding section 8.33, moneys appropriated
26 by this lettered paragraph which remain unobligated or
27 unexpended on June 30, 1998, shall not revert to the
28 general fund of the state but shall be transferred to
29 and deposited in the strategic investment fund created
30 in section 15.313.

31 d. Agricultural product advisory council

32 For support, maintenance, and miscellaneous purposes:

33 \$ 1,300

34 e. For transfer to the partner state program which the
35 department may use to contract with private groups or

1 organizations which are the most appropriate to administer
2 this program and the groups and organizations participating in
3 the program shall, to the fullest extent possible, provide the
4 funds to match the appropriation made in this paragraph of the
5 funds transferred:

6 \$ 112,500

7 5. TOURISM DIVISION

8 a. Tourism operations

9 For salaries, support, maintenance, miscellaneous purposes,
10 for not more than the following full-time equivalent
11 positions, provided that the appropriation shall not be used
12 for advertising placements for in-state and out-of-state
13 tourism marketing:

14 \$ 772,037

15 FTEs 18.52

16 b. Tourism advertising

17 For contracting exclusively for tourism advertising for in-
18 state and out-of-state tourism marketing services, tourism
19 promotion programs, electronic media, print media, and printed
20 materials:

21 \$ 4,077,000

22 The department shall not use the moneys appropriated in
23 this lettered paragraph, unless the department develops
24 public-private partnerships with Iowa businesses in the
25 tourism industry, Iowa tour groups, Iowa tourism
26 organizations, and political subdivisions in this state to
27 assist in the development of advertising efforts. The
28 department shall, to the fullest extent possible, develop
29 cooperative efforts for advertising with contributions from
30 other sources.

31 Sec. 2. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding
32 section 15E.120, subsections 5, 6, and 7, and section 15.287,
33 there is appropriated from the Iowa community development loan
34 fund all the moneys available during the fiscal year beginning
35 July 1, 1997, and ending June 30, 1998, to the department of

1 economic development for the rural development program to be
2 used by the department for the purposes of the program.

3 Sec. 3. JOB TRAINING FUND. Notwithstanding section
4 15.251, subsection 2, there is appropriated from the job
5 training fund to the department of economic development for
6 the fiscal year beginning July 1, 1997, and ending June 30,
7 1998, the following amounts, or so much thereof as is
8 necessary, to be used for the purposes designated:

9 For administration of chapter 260E, including salaries,
10 support, maintenance, miscellaneous purposes, and for not more
11 than the following full-time equivalent positions:

12	\$	185,000
13	FTEs	2.40

14 Appropriations to the department of economic development
15 for administration of chapter 260E and the department of
16 workforce development for the target alliance program shall be
17 funded on a proportional basis if receipts to the job training
18 fund are insufficient to fund both appropriations in their
19 entirety.

20 Sec. 4. WORKFORCE DEVELOPMENT FUND. There is appropriated
21 from the workforce development fund account created in section
22 15.342A, for the fiscal year beginning July 1, 1997, and
23 ending June 30, 1998, to the workforce development fund
24 created in section 15.343, the following amount, for the
25 purposes of the workforce development fund:

26	\$	5,531,028
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27 Sec. 5. APPRENTICESHIP PROGRAM. It is the intent of the
28 general assembly that the department of economic development
29 allocate \$600,000 for high technology apprenticeship programs
30 for the fiscal year beginning July 1, 1997, under the
31 procedures specified in section 15.343.

32 Sec. 6. Of all funds appropriated to or receipts credited
33 to the job training fund created in section 260F.6, subsection
34 1, up to \$150,000 for the fiscal year beginning July 1, 1997,
35 and ending June 30, 1998, and not more than 1.30 FTEs may be

1 used for the administration of the Iowa jobs training Act.

2 Sec. 7. IOWA STATE UNIVERSITY. There is appropriated from
3 the general fund of the state to the Iowa state university of
4 science and technology for the fiscal year beginning July 1,
5 1997, and ending June 30, 1998, the following amounts, or so
6 much thereof as is necessary, to be used for the purposes
7 designated:

8 1. For funding and maintaining in their current locations
9 the existing small business development centers, and for not
10 more than the following full-time equivalent positions:

11	\$	1,222,880
12	FTEs	5.80

13 2. For the Iowa state university of science and technology
14 research park, including salaries, support, maintenance,
15 miscellaneous purposes, and for not more than the following
16 full-time equivalent positions:

17	\$	370,000
18	FTEs	4.31

19 3. For funding the institute for physical research and
20 technology, provided that \$318,358 shall be allocated to the
21 industrial incentive program in accordance with the intent of
22 the general assembly, and for not more than the following
23 full-time equivalent positions:

24	\$	4,273,617
25	FTEs	46.42

26 It is the intent of the general assembly that the incentive
27 program focus on Iowa industrial sectors and seek
28 contributions and in-kind donations from businesses,
29 industrial foundations, and trade associations and that moneys
30 for the institute for physical research and technology
31 industrial incentive program shall only be allocated for
32 projects which are matched by private sector moneys for
33 directed contract research or for nondirected research. The
34 match required of small businesses as defined in section
35 15.102, subsection 4, for directed contract research or for

1 nondirected research shall be \$1 for each \$3 of state funds.
2 The match required for other businesses for directed contract
3 research or for nondirected research shall be \$1 for each \$1
4 of state funds. The match required of industrial foundations
5 or trade associations shall be \$1 for each \$1 of state funds.

6 Iowa state university of science and technology shall
7 report annually to the joint appropriations subcommittee on
8 economic development and legislative fiscal bureau the total
9 amounts of private contributions, the proportion of
10 contributions from small businesses and other businesses, and
11 the proportion for directed contract research and nondirected
12 research of benefit to Iowa businesses and industrial sectors.

13 Notwithstanding section 8.33, moneys appropriated for the
14 fiscal year which remain unobligated and unexpended at the end
15 of the fiscal year shall not revert but shall be available for
16 expenditure the following fiscal year.

17 Sec. 8. UNIVERSITY OF IOWA. There is appropriated from
18 the general fund of the state to the state university of Iowa
19 for the fiscal year beginning July 1, 1997, and ending June
20 30, 1998, the following amounts, or so much thereof as is
21 necessary, to be used for the purposes designated:

22 1. For the university of Iowa research park, including
23 salaries, support, maintenance, equipment, miscellaneous
24 purposes, and for not more than the following full-time
25 equivalent positions:

26 \$ 321,700
27 FTEs 4.35

28 2. For funding the advanced drug development program at
29 the Oakdale research park and for not more than the following
30 full-time equivalent positions:

31 \$ 250,925
32 FTEs 2.85

33 The board of regents shall submit a report on the progress
34 of regents institutions in meeting the strategic plan for
35 technology transfer and economic development to the

1 chairpersons of the joint appropriations subcommittee on
2 economic development, the joint appropriations subcommittee on
3 education, the majority leader and minority leader of the
4 senate, the majority and minority leaders of the house of
5 representatives, the secretary of the senate, the chief clerk
6 of the house of representatives, and the legislative fiscal
7 bureau by December 1, 1997.

8 Sec. 9. UNIVERSITY OF NORTHERN IOWA. There is
9 appropriated from the general fund of the state to the
10 university of northern Iowa for the fiscal year beginning July
11 1, 1997, and ending June 30, 1998, the following amounts, or
12 so much thereof as is necessary, to be used for the purposes
13 designated:

14 1. For the metal casting institute, including salaries,
15 support, maintenance, miscellaneous purposes, and for not more
16 than the following full-time equivalent positions:

17	\$	160,000
18	FTEs	2.75

19 2. For the institute of decision making, including
20 salaries, support, maintenance, miscellaneous purposes, and
21 for not more than the following full-time equivalent
22 positions:

23	\$	667,145
24	FTEs	10.00

25 Sec. 10. DEPARTMENT OF WORKFORCE DEVELOPMENT. There is
26 appropriated from the general fund of the state, to the
27 department of workforce development for the fiscal year
28 beginning July 1, 1997, and ending June 30, 1998, the
29 following amounts, or so much thereof as is necessary, for the
30 purposes designated:

31 1. DIVISION OF LABOR SERVICES

32 For the division of industrial services, including
33 salaries, support, maintenance, miscellaneous purposes, and
34 for not more than the following full-time equivalent
35 positions:

1 \$ 2,850,551
 2 FTEs 93.00

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

7 2. DIVISION OF INDUSTRIAL SERVICES

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

11 \$ 2,258,254
 12 FTEs 33.00

13 3. For salaries, support, maintenance, miscellaneous
 14 purposes, and for not more than the following full-time
 15 equivalent position for the workforce development state and
 16 regional boards:

17 \$ 120,534
 18 FTE 0.50

19 4. For salaries, support, maintenance, miscellaneous
 20 purposes for collection of labor market information, and for
 21 not more than the following full-time equivalent position:

22 \$ 66,250
 23 FTE 1.00

24 5. For salaries, support, maintenance, and miscellaneous
 25 purposes for the mentoring project for family investment
 26 program participants, and for not more than the following
 27 full-time equivalent positions:

28 \$ 73,051
 29 FTEs 1.50

30 6. a. Youth workforce programs

31 For purposes of the conservation corps and for not more
 32 than the following full-time equivalent positions:

33 \$ 920,853
 34 FTEs 1.80

35 Notwithstanding section 8.33, moneys committed to grantees

1 under contract that remain unexpended on June 30, 1998, of the
2 fiscal year shall not revert to any fund but shall be
3 available for expenditure for purposes of the contract during
4 the fiscal year beginning July 1, 1998.

5 b. Workforce investment program

6 For a competitive grant program by the department for
7 projects that increase Iowa's pool of available labor via
8 training and support services with priority given to projects
9 which serve displaced homemakers or welfare recipients,
10 including salaries and support, and not more than the
11 following full-time equivalent position:

12	\$	479,831
13	FTE	0.90

14 The department shall ensure that the workforce investment
15 program is coordinated with services provided under the
16 federal Job Training Partnership Act and that welfare
17 recipients receive priority for services under both programs.

18 Notwithstanding section 8.33, moneys committed to grantees
19 under contract that remain unexpended on June 30, 1998, shall
20 not revert to any fund but shall be available for expenditure
21 for purposes of the contract during the fiscal year beginning
22 July 1, 1998.

23 c. Labor management coordinator

24 For salaries, support, maintenance, miscellaneous purposes,
25 and for not more than the following full-time equivalent
26 position:

27	\$	65,935
28	FTE	1.00

29 The Iowa workforce development board shall be responsible
30 for the functions previously conducted by the state labor
31 management cooperation council. The board, the department of
32 workforce development, and the labor management coordinator
33 shall cooperate to improve communications and facilitate
34 dialogue between labor, management, and government on
35 workforce development problems facing the state, to form in-

1 plant management committees, and to provide technical
2 assistance to establish effective labor management policies in
3 the state.

4 Sec. 11. JOB TRAINING FUND. Notwithstanding section
5 15.251, subsection 2, there is appropriated from the job
6 training fund to the department of workforce development for
7 the fiscal year beginning July 1, 1997, and ending June 30,
8 1998, the following amount, or so much thereof as is
9 necessary, to be used for the purpose designated:

10 For the target alliance program:

11 \$ 30,000

12 Sec. 12. ADMINISTRATIVE CONTRIBUTION SURCHARGE FUND.

13 There is appropriated from the administrative contribution
14 surcharge fund of the state to the department of workforce
15 development for the fiscal year beginning July 1, 1997, and
16 ending June 30, 1998, the following amount, or so much thereof
17 as is necessary, for the purposes designated:

18 DIVISION OF JOB SERVICE

19 Notwithstanding section 96.7, subsection 12, paragraph "c",
20 for salaries, support, maintenance, conducting labor
21 availability surveys, miscellaneous purposes, and for not more
22 than the following full-time equivalent positions:

23 \$ 6,720,000

24 FTEs 144.12

25 The division shall continue charging a \$65 filing fee for
26 workers' compensation cases. The filing fee shall be paid by
27 the petitioner of a claim. However, the fee can be taxed as a
28 cost and paid by the losing party, except in cases where it
29 would impose an undue hardship or be unjust under the
30 circumstances.

31 Sec. 13. EMPLOYMENT SECURITY CONTINGENCY FUND. There is
32 appropriated from the special employment security contingency
33 fund to the department of workforce development for the fiscal
34 year beginning July 1, 1997, and ending June 30, 1998, the
35 following amounts, or so much thereof as is necessary for the

1 purposes designated:

2 1. DIVISION OF LABOR SERVICES

3 For salaries, support, maintenance, and miscellaneous

4 purposes:

5 \$ 296,000

6 2. DIVISION OF INDUSTRIAL SERVICES

7 For salaries, support, maintenance, and miscellaneous

8 purposes:

9 \$ 175,000

10 Any additional penalty and interest revenue may be used to
11 accomplish the mission of the department.

12 Sec. 14. PUBLIC EMPLOYMENT RELATIONS BOARD. There is
13 appropriated from the general fund of the state to the public
14 employment relations board for the fiscal year beginning July
15 1, 1997, and ending June 30, 1998, the following amount, or so
16 much thereof as is necessary, for the purposes designated:

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

20 \$ 818,685

21 FTEs 12.80

22 Sec. 15. Moneys remaining in the division-approved
23 training fund created in 1990 Iowa Acts, chapter 1261, section
24 5, subsection 2, paragraph "d", is appropriated to the
25 department of workforce development to provide training and
26 direct client services to promise jobs recipients in the
27 fiscal year beginning July 1, 1997. The division-approved
28 training fund is closed out June 30, 1998.

29 Sec. 16. Section 15.343, subsection 2, paragraph "c", Code
30 1997, is amended by striking the paragraph.

31 Sec. 17. NEW SECTION. 15.350 SHELTER ASSISTANCE FUND.

32 A shelter assistance fund is created as a revolving fund in
33 the state treasury under the control of the department
34 consisting of any moneys appropriated by the general assembly
35 and received under section 428A.8 for purposes of the

1 construction, rehabilitation, expansion, or costs of
2 operations of group home shelters for the homeless and
3 domestic violence shelters. Notwithstanding section 8.33, all
4 moneys in the shelter assistance fund which remain unexpended
5 or unobligated at the close of the fiscal year shall not
6 revert to the general fund of the state but shall remain
7 available for expenditure for subsequent fiscal years.

8 Sec. 18. Section 16.5, Code 1997, is amended by adding the
9 following new subsection:

10 NEW SUBSECTION. 17. Provide moneys to the shelter
11 assistance fund created in section 15.350.

12 Sec. 19. Section 16.40, subsection 2, Code 1997, is
13 amended by striking the subsection.

14 Sec. 20. Section 16.100, subsection 2, paragraph a, Code
15 1997, is amended by striking the subsection.

16 Sec. 21. NEW SECTION. 260F.6B HIGH TECHNOLOGY
17 APPRENTICESHIP PROGRAM.

18 The community colleges and the department of economic
19 development are authorized to fund high technology
20 apprenticeship programs which comply with the requirements
21 specified in section 260C.44. Moneys allocated to the
22 community colleges with high technology apprenticeship
23 programs shall be distributed to the community colleges based
24 upon contact hours under the programs administered during the
25 prior fiscal year as determined by the department of
26 education. The department of economic development shall adopt
27 rules governing this section's operation and participant
28 eligibility.

29 Sec. 22. Section 428A.8, unnumbered paragraph 1, Code
30 1997, is amended to read as follows:

31 On or before the tenth day of each month the county
32 recorder shall determine and pay to the treasurer of state
33 eighty-two and three-fourths percent of the receipts from the
34 real estate transfer tax collected during the preceding month
35 and the treasurer of state shall deposit ninety-five percent

1 of the receipts in the general fund of the state and transfer
2 five percent of the receipts to the ~~Iowa-finance-authority-for~~
3 ~~deposit-in-the-housing-improvement-fund-created-in-section~~
4 ~~16.100~~ shelter assistance fund created in section 15.350.

5 Sec. 23. 1996 Iowa Acts, chapter 1219, section 92, is
6 amended to read as follows:

7 SEC. 92. There is allocated from the unobligated funds
8 remaining in the Wallace technology transfer foundation fund,
9 after the allocation in section 78, subsection 2, paragraph
10 "d", of this Act, on June 30, 1996, \$100,000 for deposit in
11 the housing improvement fund created in section 16.100 for the
12 purposes of the fund. Any funds remaining shall not revert to
13 any fund, notwithstanding section 8.33. Unobligated funds
14 remaining on June 30, 1997, shall revert to the ~~general-fund~~
15 ~~of-the-state~~ strategic investment fund created in section
16 15.313.

17 Sec. 24. All physical assets of the Wallace technology
18 transfer foundation shall be transferred to the possession of
19 the department of economic development on June 30, 1997.

20 Sec. 25. In providing moneys from the shelter assistance
21 fund to homeless shelter programs, the department is requested
22 to consider exploring the potential to allocate moneys to
23 homeless shelter programs based in part on their ability to
24 move their clients toward self-sufficiency.

25 Sec. 26. The department of economic development and the
26 department of workforce development shall within the budget
27 proposals for the fiscal year beginning July 1, 1999, detail
28 the number of FTEs and contract employees included in the
29 budget proposal. During the budget process for the fiscal
30 year beginning July 1, 1999, the joint economic development
31 appropriation subcommittee shall examine contract employees in
32 relationship to the budgets of the department of economic
33 development and the department of workforce development.

34 Sec. 27. On or before June 30, 1998, the board of
35 directors of the Iowa seed capital corporation shall wind up

1 the affairs of the corporation, including termination of
2 staff, dissolution of the corporation, and transfer of
3 remaining assets and liabilities to the Iowa capital
4 investment board pursuant to H.F. 375, if enacted. In the
5 event that the remaining assets and liabilities cannot be
6 transferred to the Iowa capital investment board, the board of
7 directors of the Iowa seed capital corporation shall liquidate
8 all assets, settle existing liabilities, and transfer
9 remaining moneys to the general fund of the state. The joint
10 appropriations subcommittee on economic development supports
11 the implementation of H.F. 375 relating to the increasing of
12 venture capital in Iowa.

13 Sec. 28. IOWA HOUSING CORPORATION INTERIM STUDY. As
14 housing in Iowa is a critical need, the legislative council is
15 requested to establish an interim committee to provide the
16 opportunity to learn about the Iowa housing corporation and
17 other organizations with related housing interests. By
18 October 30, 1997, the study committee shall submit a report to
19 the general assembly.

20 Sec. 29. IOWA HOUSING CORPORATION. By December 30, 1997,
21 the Iowa housing corporation is requested to submit a report
22 to the department of management, the chairpersons and ranking
23 members of the joint appropriations subcommittee on economic
24 development, and the legislative fiscal bureau which shall
25 include, but not be limited to, all of the following:

- 26 1. The annual report of the corporation.
- 27 2. An itemized list of projects assisted, project
28 locations, types and amounts of assistance provided, and
29 contact persons for each project.
- 30 3. A list of fixed assets of the corporation, including
31 the date the fixed assets were acquired and the cost.
- 32 4. An itemized list of types and amounts of financial
33 assistance provided to the corporation by outside sources.
- 34 5. A list, by position, of all compensation, salaries, and
35 benefits paid to the corporation employees and board members.

1 Sec. 30. BUDGET PROPOSALS. The department of economic
2 development and the department of workforce development shall
3 submit all budget proposals in the traditional format as well
4 as in the budgeting for results format for the fiscal year
5 beginning July 1, 1998.

6 Sec. 31. FEDERAL GRANTS. All federal grants to and the
7 federal receipts of agencies appropriated funds under this
8 Act, not otherwise appropriated, are appropriated for the
9 purposes set forth in the federal grants or receipts unless
10 otherwise provided by the general assembly.

11 Sec. 32. EFFECTIVE DATE. Section 23 of this Act, being
12 deemed of immediate importance, takes effect upon enactment.

13 EXPLANATION

14 This bill makes appropriations and transfers from the
15 general fund of the state and other funds to the department of
16 economic development, Iowa state university, the university of
17 Iowa, the university of northern Iowa, the department of
18 workforce development, and the public employment relations
19 board.

20 The bill also provides as follows:

21 1. Moneys remaining in the division-approved training fund
22 created in 1990 Iowa Acts, chapter 1261, section 5, subsection
23 2, paragraph "d", is appropriated to the department of
24 workforce development to provide training and direct client
25 services to promise jobs recipients in the fiscal year
26 beginning July 1, 1997. The division-approved training fund
27 is closed out on June 30, 1998.

28 2. A shelter assistance fund is established under the
29 control of the department of economic development for homeless
30 and domestic violence shelters. The fund shall be funded, in
31 part, with a portion of the real estate transfer tax. At
32 present, this portion of the real estate transfer tax is
33 deposited into the housing improvement fund within the Iowa
34 finance authority.

35 3. Unobligated funds remaining in the Wallace technology

1 transfer foundation fund on June 30, 1997, shall revert to the
2 strategic investment fund created in section 15.313. At
3 present, the remaining funds are to revert to the general fund
4 of the state.

5 4. The Iowa seed capital corporation shall wind up the
6 affairs of the corporation.

7 5. The legislative council is requested to establish an
8 interim committee to provide the opportunity to learn about
9 the Iowa housing corporation and other organizations with
10 related housing interests.

11 6. The Iowa housing corporation is requested to submit a
12 report to the department of management, the chairpersons and
13 ranking members of the joint appropriations subcommittee on
14 economic development, and the legislative fiscal bureau
15 relating to various organizational, financial, and business
16 related issues.

17 7. The department of economic development and the
18 department of workforce development shall submit all budget
19 proposals in the traditional format as well as in the
20 budgeting for results format for the fiscal year beginning
21 July 1, 1998.

22 8. Community colleges and the department of economic
23 development are authorized to fund high technology
24 apprenticeship programs.

25 9. The department is requested to consider the ability of
26 homeless shelter programs to move their clients toward self-
27 sufficiency when allocating funds.

28 10. All physical assets of the Wallace technology transfer
29 foundation shall be transferred to the possession of the
30 department on June 30, 1997.

31 11. The department of economic development and the
32 department of workforce development shall detail the number of
33 FTEs and contract employees in the budget proposals for the
34 fiscal year beginning July 1, 1999.

35

HOUSE FILE 655

H-1241

1 Amend House File 655 as follows:

2 1. Page 18, by inserting after line 19 the
3 following:

4 "Sec. ____ . ECONOMIC DEVELOPMENT INTERIM STUDY.

5 The legislative council is requested to establish an
6 interim committee to conduct a comprehensive study of
7 programs administered by the department of economic
8 development and make recommendations for future
9 actions to be taken to improve the competitive
10 economic position of the state. The study shall
11 include all of the following:

12 1. Develop a list of procedures for use by the
13 department of economic development for the evaluation
14 of existing and future economic development programs
15 and prepare recommended guidelines for the
16 administration and monitoring of each economic
17 development program by the department.

18 2. Identify the best means for ensuring the growth
19 and stability of the state. This identification shall
20 include an analysis of the state taxation structure as
21 applied to businesses operating in the state.

22 3. Conduct a program analysis of each of the
23 business assistance programs in the state including
24 loans, grants, tax incentives, training, technology
25 assistance, and all other state and local business
26 assistance programs.

27 4. Compare the economic health of the state and
28 its economic development programs with the economic
29 health and economic development programs of all
30 neighboring states.

31 5. Prepare recommendations for actions needed to
32 strengthen the competitive economic position of this
33 state among other states.

34 The interim committee shall be composed of members
35 of both political parties and both houses of the
36 general assembly who are members of the senate
37 standing committee on small business, economic
38 development and tourism and the house of
39 representatives standing committee on economic
40 development and members who represent the department
41 of economic development, the Iowa federation of labor,
42 economic development interest groups, and other
43 organizations and associations interested in economic
44 development.

45 The committee shall be staffed by the legislative
46 service bureau and the legislative fiscal bureau. The
47 committee shall begin its deliberations following the
48 adjournment of the 1997 Session of the general
49 assembly and shall issue its report of recommendations
50 by January 1, 1998."

H-1241

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Page 2

1 2. By renumbering as necessary.

By WARNSTADT of Woodbury
WHITEAD of Woodbury
KINZER of Scott
FALCK of Fayette
DOTZLER of Black Hawk
O'BRIEN of Boone
BUKTA of Clinton
DREES of Carroll
SCHERRMAN of Dubuque

COHOON of Des Moines
MERTZ of Kossuth
REYNOLDS-KNIGHT of Van Buren
BELL of Jasper
TAYLOR of Linn
BERNAU of Story
MASCHER of Johnson
WITT of Black Hawk

H-1241 FILED MARCH 19, 1997

Lost 3/20/97 (p.724)

HOUSE FILE 655

H-1225

1 Amend House File 655 as follows:

2 1. Page 4, line 24, by striking the figure
3 "150,000" and inserting the following: "178,000".
4 2. Page 17, by striking lines 13 through 16 and
5 inserting the following: "any fund, notwithstanding
6 section 8.33. Unobligated Of the unobligated funds
7 remaining on June 30, 1997, the first \$28,000 shall
8 revert to the general-fund-of-the-state community
9 development program of the department of economic
10 development for purposes of Iowa's councils of
11 governments and all remaining moneys shall revert to
12 the strategic investment fund created in section
13 15.313."

By REYNOLDS-KNIGHT of Van Buren
RAYHONS of Hancock

DOTZLER of Black Hawk
WISE of Lee

H-1225 FILED MARCH 18, 1997

*Lost
3-20-97
(p.714)*

HOUSE FILE 655

H-1263

1 Amend House File 655 as follows:

2 1. Page 17, by inserting after line 4 the
3 following:

4 "Sec. ____ . 1996 Iowa Acts, chapter 1218, section
5 55, subsection 3, is amended to read as follows:

6 3. The moneys appropriated in this section shall
7 be used only for providing assistance in ~~the form of~~
8 ~~loan-guarantees, irrevocable letters of credit, and~~
9 accordance with section 15E.175, subsection 3,
10 paragraph "b". However, to be eligible for funding an
11 indemnification for liability agreements agreement
12 shall be entered into prior to October 15, 1996 June
13 30, 1998."

14 2. Page 18, by striking line 20 and inserting the
15 following:

16 "Sec. ____ . IOWA HOUSING CORPORATION. By July 15,
17 1997,".

18 3. By renumbering as necessary.

Adopted 3/20/97 (P. 722) By CHURCHILL of Polk
BOGGESS of Taylor

H-1263 FILED MARCH 19, 1997

HOUSE FILE 655

H-1267

1 Amend the amendment, H-1250, to House File 655 as
2 follows:

3 1. Page 3, by striking lines 12 through 14 and
4 inserting the following: "assistance under this
5 chapter, a community college shall be exempt from the
6 requirements of chapter 17A. However, the board of
7 trustees of a community college shall adopt a written
8 policy regarding the method of making determinations
9 under this paragraph. The written policy shall ensure
10 that payments to retire certificates issued under
11 chapter 260E will continue until the certificates are
12 retired."

By FALLON of Polk

H-1267 FILED MARCH 20, 1997

LOST

3-19-97 (P. 722)

HOUSE FILE 655

H-1258

1 Amend House File 655 as follows:
2 1. Page 11, by inserting after line 24 the
3 following:
4 "From moneys appropriated under this subsection,
5 the institute of decision making shall allocate
6 \$50,000 for purposes of the neighborhood development
7 initiative program created in chapter 272E."
8 2. Page 16, by inserting after line 28 the
9 following:
10 "Sec. ____ . NEW SECTION. 272E.1 TITLE.
11 This chapter shall be known and may be cited as the
12 "Neighborhood Development Initiative Act".
13 Sec. ____ . NEW SECTION. 272E.2 PURPOSE.
14 The purpose of the neighborhood development
15 initiative is to facilitate community development in
16 neighborhoods through engaging and training
17 volunteers.
18 Sec. ____ . NEW SECTION. 272E.3 NEIGHBORHOOD
19 DEVELOPMENT INITIATIVE PROGRAM.
20 1. A neighborhood development initiative program
21 shall be undertaken and implemented through a
22 collaborative effort by board of regents institutions.
23 The lead institution in the program shall be the
24 institute of decision making at the university of
25 northern Iowa. The program shall include pilot
26 projects on all of the following:
27 a. In an existing neighborhood without a formal
28 neighborhood organization, a pilot project shall
29 develop a formal neighborhood organization, determine
30 neighborhood needs and priorities, identify community
31 resources available to the neighborhood, develop
32 leadership, recommend changes, develop an action plan,
33 and develop a budget.
34 b. In a newly organized neighborhood organization,
35 a pilot project shall assess the effectiveness of the
36 organization, identify or review priorities and new
37 issues, assess plans and progress, recommend changes,
38 develop an action plan, develop a budget, and develop
39 a fund-raising plan.
40 c. In a mature and established neighborhood
41 organization, a pilot project shall assess past
42 success, assess the organizational organization,
43 assess the plans and programs, develop an action plan,
44 develop a budget and identify or seek community
45 resources, recommend public policy updates, recommend
46 changes, and develop a communication plan.
47 2. The pilot projects shall result in the
48 development of program requirements, program
49 qualifications, and a recommended approach for a
50 neighborhood development initiative program for

H-1258

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Page 2

1 neighborhoods at any stage of development.

2 3. By January 1, 1998, the board of regents
3 institutions participating in the pilot projects shall
4 submit a joint report to the general assembly
5 regarding the results of the pilot projects and a
6 recommended approach for the full implementation of a
7 neighborhood development initiative program."

8 3. Page 17, by striking lines 13 through 16 and
9 inserting the following: "any fund, notwithstanding
10 section 8.33. Unobligated Of the unobligated funds
11 remaining on June 30, 1997, the first \$50,000 shall
12 revert to the general-fund-of-the-state university of
13 northern Iowa for purposes of the institute of
14 decision making and all remaining moneys shall revert
15 to the strategic investment fund created in section
16 15.313."

17 4. By renumbering as necessary.

By SHOULTZ of Black Hawk

H-1258 FILED MARCH 19, 1997

Nat Hermone 3-20-97 (P. 718)

HOUSE FILE 655

H-1261

1 Amend House File 655 as follows:

2 1. Page 14, by inserting after line 30 the
3 following:

4 "It is the intent of the general assembly that each
5 regional workforce development center designate a
6 business liaison outreach officer. The business
7 liaison outreach officer shall actively seek input
8 from area businesses regarding actual labor needs of
9 businesses within the region, determine the extent to
10 which area businesses have utilized or are utilizing
11 job placement services to meet these labor needs,
12 examine the past and current record of job placement
13 services regarding the ability to respond to these
14 labor needs through the referral of qualified job
15 applicants, and develop a plan for implementing
16 necessary changes for improving the level of business
17 utilization of job placement services and the ability
18 to refer qualified job applicants in the future."

By MURPHY of Dubuque

H-1261 FILED MARCH 19, 1997

Loat 3/20/97

(P. 713)

HOUSE FILE 655

H-1250

1 Amend House File 655 as follows:

2 1. Page 16, by inserting before line 8 the
3 following:

4 "Sec. _____. Section 15A.1, subsection 3, Code 1997,
5 is amended to read as follows:

6 3. In addition to the requirements of subsection
7 2, a state agency or community college shall not
8 provide a grant, loan, or other financial assistance
9 to a private person or on behalf of a private person
10 unless the business for whose benefit the financial
11 assistance is to be provided meets, to the
12 satisfaction of the state agency or community college,
13 all of the following:

14 Sec. _____. Section 15A.1, subsection 3, paragraph
15 a, Code 1997, is amended to read as follows:

16 a. The business makes a report detailing the
17 circumstances of its violations, if any, of a federal
18 or state statute, regulation, or rule including an
19 environmental protection or a worker protection
20 statute, regulation, or rule within the previous five
21 ten years. ~~The state agency shall take into~~
22 ~~consideration before allowing financial assistance~~
23 ~~this report of the business.~~ If the state agency or
24 community college finds a business has a record of
25 such violations over a period of time of more than one
26 year that demonstrates a consistent pattern of
27 disregard for federal or state laws and regulations,
28 the business shall be disqualified for economic
29 development assistance under this chapter for a period
30 of ten years from the date of disqualification.
31 Disqualification shall not occur if the state agency
32 or community college finds mitigating circumstances
33 which may include the absence of a serious threat to
34 the environment, to workers, or to the general public.
35 In considering mitigating circumstances, the state
36 agency or community college shall only examine the
37 circumstances which apply to past violations. The
38 state agency or community college shall provide the
39 business with written notice of the disqualification
40 decision within one month of making the decision. The
41 state agency or community college shall include in the
42 notification a stated reason for disqualification,
43 violations used to support the violation, and the date
44 upon which the business will be eligible for
45 assistance in the future.

46 Sec. _____. Section 15A.1, subsection 3, Code 1997,
47 is amended by adding the following new paragraphs:

48 NEW PARAGRAPH. c. A business which receives
49 economic development assistance shall report the
50 circumstances of future violations occurring after the

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1 receipt of the assistance, if any, of a federal or
2 state statute, regulation, or rule including an
3 environmental protection or worker protection statute,
4 regulation, or rule for a period of ten years from the
5 date the assistance is received. If the state agency
6 or community college finds a business has developed a
7 record of such violations over a period of time of
8 more than one year that demonstrates a consistent
9 pattern of disregard for federal or state laws and
10 regulations, the business shall repay all economic
11 development assistance received during the previous
12 ten years. Disqualification shall not occur if the
13 state agency or community college finds mitigating
14 circumstances, which may include the absence of a
15 serious threat to the environment, to workers, or to
16 the general public. In considering mitigating
17 circumstances, the state agency or community college
18 shall only examine the circumstances which apply to
19 past violations. The state agency or community
20 college shall provide the business with written notice
21 of the disqualification decision within one month of
22 making the decision. The state agency or community
23 college shall include in the notification a stated
24 reason for disqualification, violations used to
25 support the violation, the amount of economic
26 assistance to be repaid, the terms of repayment, and
27 the date upon which repayment is due. Repayment of
28 economic assistance shall be paid over the same number
29 of years in which the business received the
30 assistance.

31 NEW PARAGRAPH. d. A business seeking economic
32 development assistance involving worker training shall
33 report the rate of turnover in its workforce for the
34 type of jobs for which worker training assistance is
35 sought. For purposes of this section, rate of
36 turnover means the number of workers who had to be
37 replaced in a given position over a one-year period.
38 Worker training assistance shall not be awarded to a
39 business if a state agency or community college finds
40 that the business seeking worker training assistance
41 has a history of high turnover in its workforce. High
42 turnover includes a rate of turnover which is
43 substantially higher than the rate of turnover for a
44 similar position at a similar business.

45 NEW PARAGRAPH. e. A business which receives
46 economic development assistance involving worker
47 training shall report the rate of turnover in its
48 workforce for the type of jobs for which worker
49 training is received for a period of five years from
50 the date the assistance is received. If a state

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1 agency or community college determines a business
 2 receiving worker training assistance develops a high
 3 turnover in its workforce, the business shall repay
 4 all worker training assistance received. High
 5 turnover includes a rate of turnover which is
 6 substantially higher than the rate of turnover for a
 7 similar position at a similar business.

8 NEW PARAGRAPH. f. In making the findings and
 9 determinations regarding violations, mitigating
 10 circumstances, turnover rate, and whether the business
 11 is disqualified for or must repay economic development
 12 assistance under this chapter, a state agency or
 13 community college shall be exempt from the
 14 requirements of chapter 17A.

15 Sec. ____ . Section 15A.3, Code 1997, is amended to
 16 read as follows:

17 15A.3 PUBLIC ECONOMIC DEVELOPMENT ASSISTANCE --
 18 VIOLATIONS -- CRIMINAL PENALTIES.

19 A person who engages in deception and knowingly
 20 makes or causes to be made, directly or indirectly, a
 21 false statement in writing, for the purpose of
 22 procuring economic development assistance from a state
 23 agency or political subdivision, for the benefit of
 24 the person or for whom the person is acting, is guilty
 25 of a fraudulent practice in the first degree as
 26 defined in section 714.9 and subject to triple the
 27 monetary fine provided for in section 902.9. For
 28 purposes of this section, "deception" means deception
 29 as defined in section 702.9."

30 2. Title page, line 4, by inserting after the
 31 word "changes," the following: "providing a
 32 penalty,".

33 3. By renumbering as necessary.

By FALLON of Polk

H-1250 FILED MARCH 19, 1997

Just 3/20/97 (p.722)

HOUSE FILE 655

H-1257

1 Amend House File 655 as follows:

2 1. Page 17, by striking lines 13 through 16 and
 3 inserting the following: "any fund, notwithstanding
 4 section 8.33. Unobligated Of the unobligated funds
 5 remaining on June 30, 1997, the first \$100,000 shall
 6 revert to the general fund of the state community
 7 development division of the department of economic
 8 development for purposes of the microbusiness rural
 9 enterprise assistance program created in section
 10 15.114 and all remaining moneys shall revert to the
 11 strategic investment fund created in section 15.313."

By WEIGEL of Chickasaw

H-1257 FILED MARCH 19, 1997

Just 3/20/97

(p.723)

HOUSE FILE 655
BY COMMITTEE ON APPROPRIATIONS

(As Amended and Passed by the House, March 20, 1997)

Passed House, Date 4-9-97 (P. 1110) Passed Senate, Date 4-8-97 (P. 1043)
Vote: Ayes 94 Nays 6 Vote: Ayes 43 Nays 4

Approved April 22, 1997
[Signature] Passed 4-9-97 (R 1085)
[Signature] Vote 45-4

A BILL FOR

1 An Act appropriating funds to the department of economic
2 development, certain board of regents institutions, the
3 department of workforce development, the public employment
4 relations board, making statutory changes, and providing an
5 effective date.

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

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House Amendments _____

1 Section 1. DEPARTMENT OF ECONOMIC DEVELOPMENT. There is
2 appropriated from the general fund of the state and other
3 designated funds to the department of economic development for
4 the fiscal year beginning July 1, 1997, and ending June 30,
5 1998, the following amounts, or so much thereof as is
6 necessary, to be used for the purposes designated:

7 1. ADMINISTRATIVE SERVICES DIVISION

8 a. General administration

9 For salaries, support, maintenance, miscellaneous purposes,
10 and for providing that a business receiving moneys from the
11 department for the purpose of job creation shall make
12 available ten percent of the new jobs created for promise jobs
13 program participants who are qualified for the jobs created
14 and for not more than the following full-time equivalent
15 positions:

16	\$	1,461,470
17	FTEs	23.75

18 b. Film office

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

22	\$	228,493
23	FTEs	2.00

24 2. BUSINESS DEVELOPMENT DIVISION

25 a. Business development operations

26 For salaries, support, maintenance, miscellaneous purposes,
27 for not more than the following full-time equivalent
28 positions, for allocating \$495,000 to support activities in
29 conjunction with the Iowa manufacturing technology center,
30 \$150,000 to the graphic arts center, and \$100,000 to the
31 university of northern Iowa for operation of industrial
32 technology programs at the ag based industrial lubrication
33 center:

34	\$	3,916,397
35	FTEs	17.76

1 The business development division may expend up to \$125,000
2 for a pilot project relating to labor availability recruitment
3 in the areas of information technologists, engineering, and
4 building trades. If a pilot project is implemented, the
5 business development division shall submit a progress report
6 to the general assembly no later than January 1, 1998.

7 The department shall develop minimum requirements for
8 buildings and sites to be listed on the IMEDIA system.

9 b. Small business programs

10 For salaries, support, maintenance, miscellaneous purposes,
11 and for not more than the following full-time equivalent
12 positions for the small business program, the small business
13 advisory council, and targeted small business program:

14	\$	445,463
15	FTEs	5.00

16 c. Federal procurement office

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

20	\$	101,585
21	FTEs	3.00

22 Notwithstanding section 8.33, moneys remaining unencumbered
23 or unobligated on June 30, 1998, shall not revert and shall be
24 available for expenditure during the fiscal year beginning
25 July 1, 1998, for the same purposes.

26 d. Strategic investment fund

27 For deposit in the strategic investment fund for salaries,
28 support, for not more than the following full-time equivalent
29 positions:

30	\$	6,846,466
31	FTEs	10.50

32 The department may allocate from the strategic investment
33 fund up to \$600,000 for the entrepreneurial ventures
34 assistance program. The department shall seek the advice,
35 consultation, and cooperation of the entrepreneurial centers

1 and the major benefactor of the centers in the implementation
2 of the entrepreneurial ventures assistance program.

3 The department shall provide an annual report on the
4 progress made by the department in making the community
5 economic betterment program a self-sustaining, revolving loan
6 program.

7 e. Insurance economic development

8 There is appropriated from moneys collected by the division
9 of insurance in excess of the anticipated gross revenues under
10 section 505.7, subsection 3, to the department for the fiscal
11 year beginning July 1, 1997, and ending June 30, 1998, the
12 following amount, or so much thereof as is necessary, for
13 insurance economic development and international insurance
14 economic development:

15 \$ 200,000

16 f. Value-added agriculture

17 There is appropriated from the moneys available to support
18 value-added agricultural products and processes, four percent,
19 or so much thereof as is necessary, of the total moneys
20 available to support value-added agricultural products and
21 processes pursuant to section 423.24 each quarter for
22 administration of the value-added agricultural products and
23 processes financial assistance program as provided in section
24 15E.111, including salaries, support, maintenance,
25 miscellaneous purposes, and for not more than 2.00 FTEs.

26 3. COMMUNITY DEVELOPMENT DIVISION

27 a. Community assistance

28 For salaries, support, maintenance, miscellaneous purposes,
29 and for not more than the following full-time equivalent
30 positions for administration of the community economic
31 preparedness program, the Iowa community betterment program,
32 and the city development boards:

33 \$ 589,741

34 FTEs 8.50

35 There is also appropriated from the rural community 2000

1 program revolving fund established in section 15.287 to the
2 community assistance program for the purposes of the community
3 economic preparedness program:

4 \$ 50,000

5 b. Main street/rural main street program

6 For salaries and support for not more than the following
7 full-time equivalent positions:

8 \$ 418,931

9 FTEs 3.00

10 Notwithstanding section 8.33, moneys committed to grantees
11 under contract from the general fund of the state that remain
12 unexpended on June 30, 1998, shall not revert to any fund but
13 shall be available for expenditure for purposes of the
14 contract during the fiscal year beginning July 1, 1998.

15 c. Community development program

16 For salaries, support, maintenance, miscellaneous purposes,
17 for not more than the following full-time equivalent
18 positions, for rural resource coordination, rural community
19 leadership, rural innovations grant program, and the rural
20 enterprise fund:

21 \$ 720,055

22 FTEs 4.50

23 From moneys appropriated under this paragraph, the
24 department shall distribute \$150,000 equally to Iowa's
25 councils of governments for planning and technical assistance
26 to assist local governments in developing community
27 development strategies for addressing long-term and short-term
28 community needs.

29 There is also appropriated from the rural community 2000
30 program revolving fund established in section 15.287 to the
31 rural development program for the purposes of the program
32 including the rural enterprise fund and collaborative skills
33 development training:

34 \$ 529,000

35 Notwithstanding section 8.33, moneys committed to grantees

1 under contract from the general fund of the state or through
2 transfers from the Iowa community development loan fund or
3 from the rural community 2000 program revolving fund that
4 remain unexpended on June 30, 1998, shall not revert but shall
5 be available for expenditure for purposes of the contract
6 during the fiscal year beginning July 1, 1998.

7 d. Community development block grant and HOME

8 For administration and related federal housing and urban
9 development grant administration for salaries, support,
10 maintenance, miscellaneous purposes, and for not more than the
11 following full-time equivalent positions:

12	\$	412,505
13	FTEs	18.75

14 e. Housing development fund

15 For providing technical assistance to communities of all
16 sizes and local financial institutions to help meet local
17 housing needs and to provide and transfer matching funds for
18 the HOME program:

19	\$	1,300,000
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20 Notwithstanding section 8.33, moneys committed to grantees
21 under contract from the housing development fund and moneys
22 transferred for matching funds for the HOME program that
23 remain unexpended or unobligated on June 30, 1998, shall not
24 revert to any fund but shall be available for obligation and
25 expenditure for purposes of those programs during the fiscal
26 year beginning July 1, 1998.

27 f. Shelter assistance program

28 For the purposes of the shelter assistance fund:

29	\$	400,000
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30 4. INTERNATIONAL DIVISION

31 a. International trade operations

32 For salaries, support, maintenance, miscellaneous purposes,
33 for allocating \$100,000 to develop markets in, investment
34 opportunities with, and direct trade with greater China, none
35 of which is to be used for gubernatorial or legislative travel

1 purposes, and for not more than the following full-time
2 equivalent positions:

3 \$ 1,317,360
4 FTEs 10.00

5 From among the full-time equivalent positions authorized by
6 this lettered paragraph, one position shall concentrate on the
7 export sale of grain, one on the export sale of livestock, and
8 one on the export sale of value-added agricultural products.

9 b. Foreign trade offices

10 For salaries, support, maintenance, and miscellaneous
11 purposes:

12 \$ 651,150

13 c. Export trade assistance program

14 For export trade activities, including a program to
15 encourage and increase participation in trade shows and trade
16 missions by providing financial assistance to businesses for a
17 percentage of their costs of participating in trade shows and
18 trade missions, by providing for the lease/sublease of
19 showcase space in existing world trade centers, by providing
20 temporary office space for foreign buyers, international
21 prospects, and potential reverse investors, and by providing
22 other promotional and assistance activities, including
23 salaries and support:

24 \$ 425,000

25 Notwithstanding section 8.33, moneys appropriated
26 by this lettered paragraph which remain unobligated or
27 unexpended on June 30, 1998, shall not revert to the
28 general fund of the state but shall be transferred to
29 and deposited in the strategic investment fund created
30 in section 15.313.

31 d. Agricultural product advisory council

32 For support, maintenance, and miscellaneous purposes:

33 \$ 1,300

34 e. For transfer to the partner state program which the
35 department may use to contract with private groups or

1 organizations which are the most appropriate to administer
2 this program and the groups and organizations participating in
3 the program shall, to the fullest extent possible, provide the
4 funds to match the appropriation made in this paragraph of the
5 funds transferred:

6 \$ 112,500

7 5. TOURISM DIVISION

8 a. Tourism operations

9 For salaries, support, maintenance, miscellaneous purposes,
10 for not more than the following full-time equivalent
11 positions, provided that the appropriation shall not be used
12 for advertising placements for in-state and out-of-state
13 tourism marketing:

14 \$ 772,037

15 FTEs 18.52

16 b. Tourism advertising

17 For contracting exclusively for tourism advertising for in-
18 state and out-of-state tourism marketing services, tourism
19 promotion programs, electronic media, print media, and printed
20 materials:

21 \$ 4,077,000

22 The department shall not use the moneys appropriated in
23 this lettered paragraph, unless the department develops
24 public-private partnerships with Iowa businesses in the
25 tourism industry, Iowa tour groups, Iowa tourism
26 organizations, and political subdivisions in this state to
27 assist in the development of advertising efforts. The
28 department shall, to the fullest extent possible, develop
29 cooperative efforts for advertising with contributions from
30 other sources.

31 Sec. 2. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding
32 section 15E.120, subsections 5, 6, and 7, and section 15.287,
33 there is appropriated from the Iowa community development loan
34 fund all the moneys available during the fiscal year beginning
35 July 1, 1997, and ending June 30, 1998, to the department of

1 economic development for the rural development program to be
2 used by the department for the purposes of the program.

3 Sec. 3. JOB TRAINING FUND. Notwithstanding section
4 15.251, subsection 2, there is appropriated from the job
5 training fund to the department of economic development for
6 the fiscal year beginning July 1, 1997, and ending June 30,
7 1998, the following amounts, or so much thereof as is
8 necessary, to be used for the purposes designated:

9	For administration of chapter 260E, including salaries,	
10	support, maintenance, miscellaneous purposes, and for not more	
11	than the following full-time equivalent positions:	
12	\$ 185,000
13	FTEs 2.40

14 Appropriations to the department of economic development
15 for administration of chapter 260E and the department of
16 workforce development for the target alliance program shall be
17 funded on a proportional basis if receipts to the job training
18 fund are insufficient to fund both appropriations in their
19 entirety.

20 Sec. 4. WORKFORCE DEVELOPMENT FUND. There is appropriated
21 from the workforce development fund account created in section
22 15.342A, for the fiscal year beginning July 1, 1997, and
23 ending June 30, 1998, to the workforce development fund
24 created in section 15.343, the following amount, for the
25 purposes of the workforce development fund:

26 \$ 5,531,028

27 Sec. 5. APPRENTICESHIP PROGRAM. It is the intent of the
28 general assembly that the department of economic development
29 allocate \$600,000 for high technology apprenticeship programs
30 for the fiscal year beginning July 1, 1997, under the
31 procedures specified in section 15.343.

32 Sec. 6. Of all funds appropriated to or receipts credited
33 to the job training fund created in section 260F.6, subsection
34 1, up to \$150,000 for the fiscal year beginning July 1, 1997,
35 and ending June 30, 1998, and not more than 1.30 FTEs may be

1 used for the administration of the Iowa jobs training Act.

2 Sec. 7. IOWA STATE UNIVERSITY. There is appropriated from
3 the general fund of the state to the Iowa state university of
4 science and technology for the fiscal year beginning July 1,
5 1997, and ending June 30, 1998, the following amounts, or so
6 much thereof as is necessary, to be used for the purposes
7 designated:

8 1. For funding and maintaining in their current locations
9 the existing small business development centers, and for not
10 more than the following full-time equivalent positions:

11	\$	1,222,880
12	FTEs	5.80

13 2. For the Iowa state university of science and technology
14 research park, including salaries, support, maintenance,
15 miscellaneous purposes, and for not more than the following
16 full-time equivalent positions:

17	\$	370,000
18	FTEs	4.31

19 3. For funding the institute for physical research and
20 technology, provided that \$318,358 shall be allocated to the
21 industrial incentive program in accordance with the intent of
22 the general assembly, and for not more than the following
23 full-time equivalent positions:

24	\$	4,273,617
25	FTEs	46.42

26 It is the intent of the general assembly that the incentive
27 program focus on Iowa industrial sectors and seek
28 contributions and in-kind donations from businesses,
29 industrial foundations, and trade associations and that moneys
30 for the institute for physical research and technology
31 industrial incentive program shall only be allocated for
32 projects which are matched by private sector moneys for
33 directed contract research or for nondirected research. The
34 match required of small businesses as defined in section
35 15.102, subsection 4, for directed contract research or for

1 nondirected research shall be \$1 for each \$3 of state funds.
 2 The match required for other businesses for directed contract
 3 research or for nondirected research shall be \$1 for each \$1
 4 of state funds. The match required of industrial foundations
 5 or trade associations shall be \$1 for each \$1 of state funds.

6 Iowa state university of science and technology shall
 7 report annually to the joint appropriations subcommittee on
 8 economic development and legislative fiscal bureau the total
 9 amounts of private contributions, the proportion of
 10 contributions from small businesses and other businesses, and
 11 the proportion for directed contract research and nondirected
 12 research of benefit to Iowa businesses and industrial sectors.

13 Notwithstanding section 8.33, moneys appropriated for the
 14 fiscal year which remain unobligated and unexpended at the end
 15 of the fiscal year shall not revert but shall be available for
 16 expenditure the following fiscal year.

17 Sec. 8. UNIVERSITY OF IOWA. There is appropriated from
 18 the general fund of the state to the state university of Iowa
 19 for the fiscal year beginning July 1, 1997, and ending June
 20 30, 1998, the following amounts, or so much thereof as is
 21 necessary, to be used for the purposes designated:

22 1. For the university of Iowa research park, including
 23 salaries, support, maintenance, equipment, miscellaneous
 24 purposes, and for not more than the following full-time
 25 equivalent positions:

26	\$	321,700
27	FTEs	4.35

28 2. For funding the advanced drug development program at
 29 the Oakdale research park and for not more than the following
 30 full-time equivalent positions:

31	\$	250,925
32	FTEs	2.85

33 The board of regents shall submit a report on the progress
 34 of regents institutions in meeting the strategic plan for
 35 technology transfer and economic development to the

1 chairpersons of the joint appropriations subcommittee on
2 economic development, the joint appropriations subcommittee on
3 education, the majority leader and minority leader of the
4 senate, the majority and minority leaders of the house of
5 representatives, the secretary of the senate, the chief clerk
6 of the house of representatives, and the legislative fiscal
7 bureau by December 1, 1997.

8 Sec. 9. UNIVERSITY OF NORTHERN IOWA. There is
9 appropriated from the general fund of the state to the
10 university of northern Iowa for the fiscal year beginning July
11 1, 1997, and ending June 30, 1998, the following amounts, or
12 so much thereof as is necessary, to be used for the purposes
13 designated:

14 1. For the metal casting institute, including salaries,
15 support, maintenance, miscellaneous purposes, and for not more
16 than the following full-time equivalent positions:

17	\$	160,000
18	FTEs	2.75

19 2. For the institute of decision making, including
20 salaries, support, maintenance, miscellaneous purposes, and
21 for not more than the following full-time equivalent
22 positions:

23	\$	667,145
24	FTEs	10.00

25 Sec. 10. DEPARTMENT OF WORKFORCE DEVELOPMENT. There is
26 appropriated from the general fund of the state, to the
27 department of workforce development for the fiscal year
28 beginning July 1, 1997, and ending June 30, 1998, the
29 following amounts, or so much thereof as is necessary, for the
30 purposes designated:

31 1. DIVISION OF LABOR SERVICES

32 For the division of industrial services, including
33 salaries, support, maintenance, miscellaneous purposes, and
34 for not more than the following full-time equivalent
35 positions:

1 \$ 2,850,551
2 FTEs 93.00

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

7 2. DIVISION OF INDUSTRIAL SERVICES

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

11 \$ 2,258,254
12 FTEs 33.00

13 3. For salaries, support, maintenance, miscellaneous
14 purposes, and for not more than the following full-time
15 equivalent position for the workforce development state and
16 regional boards:

17 \$ 120,534
18 FTE 0.50

19 4. For salaries, support, maintenance, miscellaneous
20 purposes for collection of labor market information, and for
21 not more than the following full-time equivalent position:

22 \$ 66,250
23 FTE 1.00

24 5. For salaries, support, maintenance, and miscellaneous
25 purposes for the mentoring project for family investment
26 program participants, and for not more than the following
27 full-time equivalent positions:

28 \$ 73,051
29 FTEs 1.50

30 6. a. Youth workforce programs

31 For purposes of the conservation corps and for not more
32 than the following full-time equivalent positions:

33 \$ 920,853
34 FTEs 1.80

35 Notwithstanding section 8.33, moneys committed to grantees

1 under contract that remain unexpended on June 30, 1998, of the
2 fiscal year shall not revert to any fund but shall be
3 available for expenditure for purposes of the contract during
4 the fiscal year beginning July 1, 1998.

5 b. Workforce investment program

6 For a competitive grant program by the department for
7 projects that increase Iowa's pool of available labor via
8 training and support services with priority given to projects
9 which serve displaced homemakers or welfare recipients,
10 including salaries and support, and not more than the
11 following full-time equivalent position:

12	\$	479,831
13	FTE	0.90

14 The department shall ensure that the workforce investment
15 program is coordinated with services provided under the
16 federal Job Training Partnership Act and that welfare
17 recipients receive priority for services under both programs.

18 Notwithstanding section 8.33, moneys committed to grantees
19 under contract that remain unexpended on June 30, 1998, shall
20 not revert to any fund but shall be available for expenditure
21 for purposes of the contract during the fiscal year beginning
22 July 1, 1998.

23 c. Labor management coordinator

24 For salaries, support, maintenance, miscellaneous purposes,
25 and for not more than the following full-time equivalent
26 position:

27	\$	65,935
28	FTE	1.00

29 The Iowa workforce development board shall be responsible
30 for the functions previously conducted by the state labor
31 management cooperation council. The board, the department of
32 workforce development, and the labor management coordinator
33 shall cooperate to improve communications and facilitate
34 dialogue between labor, management, and government on
35 workforce development problems facing the state, to form in-

1 plant management committees, and to provide technical
2 assistance to establish effective labor management policies in
3 the state.

4 Sec. 11. JOB TRAINING FUND. Notwithstanding section
5 15.251, subsection 2, there is appropriated from the job
6 training fund to the department of workforce development for
7 the fiscal year beginning July 1, 1997, and ending June 30,
8 1998, the following amount, or so much thereof as is
9 necessary, to be used for the purpose designated:

10 For the target alliance program:
11 \$ 30,000

12 Sec. 12. ADMINISTRATIVE CONTRIBUTION SURCHARGE FUND.
13 There is appropriated from the administrative contribution
14 surcharge fund of the state to the department of workforce
15 development for the fiscal year beginning July 1, 1997, and
16 ending June 30, 1998, the following amount, or so much thereof
17 as is necessary, for the purposes designated:

18 DIVISION OF JOB SERVICE
19 Notwithstanding section 96.7, subsection 12, paragraph "c",
20 for salaries, support, maintenance, conducting labor
21 availability surveys, miscellaneous purposes, and for not more
22 than the following full-time equivalent positions:
23 \$ 6,720,000
24 FTES 144.12

25 The division shall continue charging a \$65 filing fee for
26 workers' compensation cases. The filing fee shall be paid by
27 the petitioner of a claim. However, the fee can be taxed as a
28 cost and paid by the losing party, except in cases where it
29 would impose an undue hardship or be unjust under the
30 circumstances.

31 Sec. 13. EMPLOYMENT SECURITY CONTINGENCY FUND. There is
32 appropriated from the special employment security contingency
33 fund to the department of workforce development for the fiscal
34 year beginning July 1, 1997, and ending June 30, 1998, the
35 following amounts, or so much thereof as is necessary for the

1 purposes designated:

2 1. DIVISION OF LABOR SERVICES

3 For salaries, support, maintenance, and miscellaneous

4 purposes:

5 \$ 296,000

6 2. DIVISION OF INDUSTRIAL SERVICES

7 For salaries, support, maintenance, and miscellaneous

8 purposes:

9 \$ 175,000

10 Any additional penalty and interest revenue may be used to
11 accomplish the mission of the department.

12 Sec. 14. PUBLIC EMPLOYMENT RELATIONS BOARD. There is
13 appropriated from the general fund of the state to the public
14 employment relations board for the fiscal year beginning July
15 1, 1997, and ending June 30, 1998, the following amount, or so
16 much thereof as is necessary, for the purposes designated:

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

20 \$ 818,685

21 FTES 12.80

22 Sec. 15. Moneys remaining in the division-approved
23 training fund created in 1990 Iowa Acts, chapter 1261, section
24 5, subsection 2, paragraph "d", is appropriated to the
25 department of workforce development to provide training and
26 direct client services to promise jobs recipients in the
27 fiscal year beginning July 1, 1997. The division-approved
28 training fund is closed out June 30, 1998.

29 Sec. 16. Section 15.343, subsection 2, paragraph "c", Code
30 1997, is amended by striking the paragraph.

31 Sec. 17. NEW SECTION. 15.350 SHELTER ASSISTANCE FUND.

32 A shelter assistance fund is created as a revolving fund in
33 the state treasury under the control of the department
34 consisting of any moneys appropriated by the general assembly
35 and received under section 428A.8 for purposes of the

1 construction, rehabilitation, expansion, or costs of
2 operations of group home shelters for the homeless and
3 domestic violence shelters. Notwithstanding section 8.33, all
4 moneys in the shelter assistance fund which remain unexpended
5 or unobligated at the close of the fiscal year shall not
6 revert to the general fund of the state but shall remain
7 available for expenditure for subsequent fiscal years.

8 Sec. 18. Section 16.5, Code 1997, is amended by adding the
9 following new subsection:

10 NEW SUBSECTION. 17. Provide moneys to the shelter
11 assistance fund created in section 15.350.

12 Sec. 19. Section 16.40, subsection 2, Code 1997, is
13 amended by striking the subsection.

14 Sec. 20. Section 16.100, subsection 2, paragraph a, Code
15 1997, is amended by striking the subsection.

16 Sec. 21. NEW SECTION. 260F.6B HIGH TECHNOLOGY
17 APPRENTICESHIP PROGRAM.

18 The community colleges and the department of economic
19 development are authorized to fund high technology
20 apprenticeship programs which comply with the requirements
21 specified in section 260C.44. Moneys allocated to the
22 community colleges with high technology apprenticeship
23 programs shall be distributed to the community colleges based
24 upon contact hours under the programs administered during the
25 prior fiscal year as determined by the department of
26 education. The department of economic development shall adopt
27 rules governing this section's operation and participant
28 eligibility.

29 Sec. 22. Section 428A.8, unnumbered paragraph 1, Code
30 1997, is amended to read as follows:

31 On or before the tenth day of each month the county
32 recorder shall determine and pay to the treasurer of state
33 eighty-two and three-fourths percent of the receipts from the
34 real estate transfer tax collected during the preceding month
35 and the treasurer of state shall deposit ninety-five percent

1 of the receipts in the general fund of the state and transfer
2 five percent of the receipts to the ~~Iowa-finance-authority-for~~
3 ~~deposit-in-the-housing-improvement-fund-created-in-section~~
4 ~~16.100~~ shelter assistance fund created in section 15.350.

5 Sec. 23. 1996 Iowa Acts, chapter 1218, section 55,
6 subsection 3, is amended to read as follows:

7 3. The moneys appropriated in this section shall be used
8 only for providing assistance in the-form-of-loan-guarantees,
9 irrevocable-letters-of-credit, and accordance with section
10 15E.175, subsection 3, paragraph "b". However, to be eligible
11 for funding an indemnification for liability agreements
12 agreement shall be entered into prior to ~~October-15, 1996~~ June
13 30, 1998.

14 Sec. 24. 1996 Iowa Acts, chapter 1219, section 92, is
15 amended to read as follows:

16 SEC. 92. There is allocated from the unobligated funds
17 remaining in the Wallace technology transfer foundation fund,
18 after the allocation in section 78, subsection 2, paragraph
19 "d", of this Act, on June 30, 1996, \$100,000 for deposit in
20 the housing improvement fund created in section 16.100 for the
21 purposes of the fund. Any funds remaining shall not revert to
22 any fund, notwithstanding section 8.33. Unobligated funds
23 remaining on June 30, 1997, shall revert to the ~~general-fund~~
24 of-the-state strategic investment fund created in section
25 15.313.

26 Sec. 25. All physical assets of the Wallace technology
27 transfer foundation shall be transferred to the possession of
28 the department of economic development on June 30, 1997.

29 Sec. 26. In providing moneys from the shelter assistance
30 fund to homeless shelter programs, the department is requested
31 to consider exploring the potential to allocate moneys to
32 homeless shelter programs based in part on their ability to
33 move their clients toward self-sufficiency.

34 Sec. 27. The department of economic development and the
35 department of workforce development shall within the budget

1 proposals for the fiscal year beginning July 1, 1999, detail
2 the number of FTEs and contract employees included in the
3 budget proposal. During the budget process for the fiscal
4 year beginning July 1, 1999, the joint economic development
5 appropriation subcommittee shall examine contract employees in
6 relationship to the budgets of the department of economic
7 development and the department of workforce development.

8 Sec. 28. On or before June 30, 1998, the board of
9 directors of the Iowa seed capital corporation shall wind up
10 the affairs of the corporation, including termination of
11 staff, dissolution of the corporation, and transfer of
12 remaining assets and liabilities to the Iowa capital
13 investment board pursuant to H.F. 375, if enacted. In the
14 event that the remaining assets and liabilities cannot be
15 transferred to the Iowa capital investment board, the board of
16 directors of the Iowa seed capital corporation shall liquidate
17 all assets, settle existing liabilities, and transfer
18 remaining moneys to the general fund of the state. The joint
19 appropriations subcommittee on economic development supports
20 the implementation of H.F. 375 relating to the increasing of
21 venture capital in Iowa.

22 Sec. 29. IOWA HOUSING CORPORATION INTERIM STUDY. As
23 housing in Iowa is a critical need, the legislative council is
24 requested to establish an interim committee to provide the
25 opportunity to learn about the Iowa housing corporation and
26 other organizations with related housing interests. By
27 October 30, 1997, the study committee shall submit a report to
28 the general assembly.

29 Sec. 30. IOWA HOUSING CORPORATION. By July 15, 1997, the
30 Iowa housing corporation is requested to submit a report to
31 the department of management, the chairpersons and ranking
32 members of the joint appropriations subcommittee on economic
33 development, and the legislative fiscal bureau which shall
34 include, but not be limited to, all of the following:

35 1. The annual report of the corporation.

1 2. An itemized list of projects assisted, project
2 locations, types and amounts of assistance provided, and
3 contact persons for each project.

4 3. A list of fixed assets of the corporation, including
5 the date the fixed assets were acquired and the cost.

6 4. An itemized list of types and amounts of financial
7 assistance provided to the corporation by outside sources.

8 5. A list, by position, of all compensation, salaries, and
9 benefits paid to the corporation employees and board members.

10 Sec. 31. BUDGET PROPOSALS. The department of economic
11 development and the department of workforce development shall
12 submit all budget proposals in the traditional format as well
13 as in the budgeting for results format for the fiscal year
14 beginning July 1, 1998.

15 Sec. 32. FEDERAL GRANTS. All federal grants to and the
16 federal receipts of agencies appropriated funds under this
17 Act, not otherwise appropriated, are appropriated for the
18 purposes set forth in the federal grants or receipts unless
19 otherwise provided by the general assembly.

20 Sec. 33. EFFECTIVE DATE. Section 24 of this Act, being
21 deemed of immediate importance, takes effect upon enactment.

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HOUSE FILE 655

S-3308

- 1 Amend House File 655, as amended, passed, and
2 reprinted by the House, as follows:
- 3 1. Page 2, line 30, by striking the figure
4 "6,846,466" and inserting the following: "6,796,466".
5 2. Page 7, line 21, by striking the figure
6 "4,077,000" and inserting the following: "4,127,000".
7 3. Page 8, by striking lines 27 through 31.
8 4. Page 11, line 32, by striking the word
9 "industrial" and inserting the following: "labor".
10 5. Page 14, line 1, by inserting after the word
11 "plant" the following: "labor".
12 6. Page 15, by striking lines 29 and 30.
13 7. Page 16, by inserting after line 15 the
14 following:
15 "Sec. ____ . Section 260F.2, subsection 11, Code
16 1997, is amended to read as follows::
17 11. "Project" means a training arrangement which
18 is the subject of an agreement entered into between
19 the community college and a business to provide
20 program services. "Project" also means a department-
21 sponsored training arrangement which is sponsored by
22 the department and administered under sections 260F.6A
23 and 260F.6B."
24 8. Page 16, line 19, by inserting after the word
25 "technology" the following: "or new statewide".
26 9. Page 16, by striking line 21 and inserting the
27 following: "specified in section 260C.44.
28 Notwithstanding the provisions of section 260F.6,
29 subsection 2, relating to maximum award amounts,
30 moneys allocated to the".
31 10. Page 18, by striking line 22 and inserting
32 the following:
33 "Sec. 200. HOUSING ASSISTANCE INTERIM STUDY. As".
34 11. Page 18, by striking lines 25 and 26 and
35 inserting the following: "opportunity to learn about
36 housing assistance organizations. By".
37 12. By striking page 18, line 29, through page
38 19, line 9, and inserting the following:
39 "Sec. ____ . HOUSING ASSISTANCE INFORMATION. By
40 October 15, 1997, all housing assistance organizations
41 in Iowa are requested to submit a report to the
42 secretary of the senate and the chief clerk of the
43 house of representatives based on such information as
44 is needed for the interim study requested in section
45 200."
46 13. Page 19, by striking lines 20 and 21 and
47 inserting the following:
48 "Sec. ____ . EFFECTIVE DATE. Sections 23 and 24 of
49 this Act, being deemed of immediate importance, take
50 effect upon enactment."

S-3308

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S-3308

Page 2

1 14. By renumbering as necessary.

By COMMITTEE ON APPROPRIATIONS
DERRYL McLAREN, Chairperson

S-3308 FILED APRIL 1, 1997 *Adopted as amended 4/8/97 (p. 1034)*

HOUSE FILE 655

S-3318

1 Amend House File 655, as amended, passed, and
 2 reprinted by the House, as follows:
 3 1. Page 8, by striking lines 20 through 31 and
 4 inserting the following:
 5 "Sec. ____ . WORKFORCE DEVELOPMENT FUND. For
 6 allocation of \$3,187,500 for the purposes identified
 7 under section 15.343, subsection 2, paragraph "b", for
 8 allocation of \$637,500 for the purposes identified in
 9 section 15.343, subsection 2, paragraph "c", \$435,000
 10 of which shall be allocated to high technology
 11 apprenticeship programs and distributed to community
 12 colleges based upon contact hours under programs
 13 administered during the prior fiscal year as
 14 determined by the department of education, and for
 15 allocation of \$1,706,028 for the purposes identified
 16 under section 15.343, subsection 2, there is
 17 appropriated from the workforce development fund
 18 account created in section 15.342A, for the fiscal
 19 year beginning July 1, 1997, and ending June 30, 1998,
 20 to the workforce development fund created in section
 21 15.343, the following amount:
 22 \$ 5,531,028
 23 2. Page 15, by striking lines 29 and 30.
 24 3. By renumbering as necessary.

By TOM VILSACK

Order 4/8/97 (p. 1035)
S-3318 FILED APRIL 1, 1997

HOUSE FILE 655

S-3366

1 Amend the amendment, S-3308, to House File 655, as
 2 amended, passed, and reprinted by the House, as
 3 follows:
 4 1. Page 1, by inserting after line 6 the
 5 following:
 6 " ____ . Page 8, by inserting after line 26 the
 7 following:
 8 "It is the intent of the general assembly that the
 9 department of economic development allocate \$3,187,500
 10 for the purposes identified under section 15.343,
 11 subsection 2, paragraph "b", allocate \$637,500 for the
 12 purposes identified in section 15.343, subsection 2,
 13 paragraph "c", \$435,000 of which shall be allocated to
 14 high technology apprenticeship programs and
 15 distributed to the community colleges based upon
 16 contact hours under programs administered during the
 17 prior fiscal year as determined by the department of
 18 education, and allocate \$1,706,028 for the purposes
 19 identified under section 15.343, subsection 2."
 20 2. By renumbering as necessary.

By TOM VILSACK

S-3366 FILED APRIL 7, 1997 *Last 4/8/97 (p. 1033)*

HOUSE FILE 655

S-3321

1 Amend House File 655, as amended, passed, and
 2 reprinted by the House, as follows:
 3 1. Page 4, line 24, by striking the figure
 4 "150,000" and inserting the following: "178,000".
 5 2. Page 17, by striking lines 22 through 25 and
 6 inserting the following: "any fund, notwithstanding
 7 section 8.33. Unobligated Of the unobligated funds
 8 remaining on June 30, 1997, the first \$28,000 shall
 9 revert to the general-fund-of-the-state community
 10 development program of the department of economic
 11 development for purposes of Iowa's councils of
 12 governments and all remaining moneys shall revert to
 13 the strategic investment fund created in section
 14 15.313."

By TOM VILSACK

S-3321 FILED APRIL 1, 1997
Adopt 4/8/97 (P. 1035)

HOUSE FILE 655

S-3322

1 Amend House File 655, as amended, passed, and
 2 reprinted by the House, as follows:
 3 1. Page 8, by striking lines 27 through 31 and
 4 inserting the following:
 5 "It is the intent of the general assembly that the
 6 department of economic development allocate \$3,187,500
 7 for the purposes identified under section 15.343,
 8 subsection 2, paragraph "b", allocate \$637,500 for the
 9 purposes identified in section 15.343, subsection 2,
 10 paragraph "c", \$435,000 of which shall be allocated to
 11 high technology apprenticeship programs and
 12 distributed to the community colleges based upon
 13 contact hours under programs administered during the
 14 prior fiscal year as determined by the department of
 15 education, and allocate \$1,706,028 for the purposes
 16 identified under section 15.343, subsection 2."
 17 2. Page 15, by striking lines 29 and 30.
 18 3. By renumbering as necessary.

By TOM VILSACK

Withdrawn 4/8/97 (P. 1036)
S-3322 FILED APRIL 1, 1997

HOUSE FILE 655

S-3346

1 Amend House File 655, as amended, passed, and
 2 reprinted by the House, as follows:
 3 1. Page 18, line 13, by striking the figure "375"
 4 and inserting the following: "652".
 5 2. Page 18, line 16, by striking the word
 6 "liquidate" and inserting the following: "provide for
 7 the orderly liquidation of".
 8 3. Page 18, line 20, by striking the figure "375"
 9 and inserting the following: "652".

By ALLEN BORLAUG
DERRYL MCLAREN*Adopted 4/8/97 (P. 1039)*
S-3346 FILED APRIL 2, 1997

HOUSE FILE 655

S-3319

1 Amend House File 655, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 14, by inserting after line 24 the
4 following:
5 "The division of industrial services shall not
6 reduce the number of scheduled hearings of contested
7 cases or eliminate the venue for such hearings, as
8 established by the division for the period beginning
9 January 1, 1997, and ending January 20, 1998. The
10 division shall also establish a substantially similar
11 schedule for such hearings for the period beginning
12 January 20, 1998, and ending June 30, 1998. The
13 division shall report to the legislative fiscal bureau
14 any modification of the established schedule, or any
15 changes which the division determines are necessary in
16 establishing the schedule for the period beginning
17 January 20, 1998, and ending June 30, 1998."

By TOM VILSACK

Lot 4-8-97 (p.1037)

S-3319 FILED APRIL 1, 1997

HOUSE FILE 655

S-3320

1 Amend House File 655, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 8, by striking lines 23 through 31 and
4 inserting the following: "ending June 30, 1998, a sum
5 equal to 75 percent of the moneys in the workforce
6 development fund account, to the workforce development
7 fund created in section 15.343. Of that
8 appropriation, a sum equal to 56.25 percent of the
9 moneys in the workforce development fund account shall
10 be allocated for purposes identified in section
11 15.343, subsection 2, paragraph "b"; a sum equal to
12 11.25 percent of the moneys in the workforce
13 development fund account shall be allocated for
14 purposes identified in section 15.343, subsection 2,
15 paragraph "c"; and a sum equal to 7.5 percent of the
16 moneys in the workforce development fund account shall
17 be allocated for purposes identified in section
18 15.343, subsection 2, paragraphs "a" and "d"."
19 2. Page 15, by striking lines 29 and 30.
20 3. By renumbering as necessary.

By TOM VILSACK

S-3320 FILED APRIL 1, 1997

*Order
4/8/97**(p.1035)*

HOUSE FILE 655

S-3389

- 1 Amend the amendment, S-3308, to House File 655, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 1, by striking lines 24 and 25.
5 2. Page 1, line 27, by inserting after the figure
6 "260C.44" the following: "and which may include both
7 new and statewide apprenticeship programs".
8 3. By renumbering as necessary.

By ALLEN BORLAUG
DERRYL McLAREN

S-3389 FILED APRIL 7, 1997
Adopted 4/8/97 (p.1035)

HOUSE FILE 655

S-3409

- 1 Amend House File 655, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 4, line 20, by inserting after the word
4 "fund" the following: "and for allocating \$100,000
5 for the purposes of the microbusiness enterprise
6 assistance program under section 15.114".

By ELAINE SZYMONIAK

S-3409 FILED APRIL 7, 1997
w/d 4/8/97 (p.1035)

HOUSE FILE 655

S-3410

- 1 Amend House File 655, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 3, by inserting after line 6 the
4 following:
5 "From moneys appropriated under this paragraph, the
6 department shall distribute to each eligible local and
7 county economic development office up to \$25,000 if
8 the amount is matched by the economic development
9 office receiving the money. A local or county
10 economic development office is eligible to receive
11 such moneys if the local or county economic
12 development office is located in a county which is one
13 of the bottom one-third counties in the state for per
14 capita income."

By PATTY JUDGE

S-3410 FILED APRIL 7, 1997

Lost 4/8/97

(p.1042)

HOUSE FILE 655

S-3385

- 1 Amend House File 655, as amended, passed and
- 2 reprinted by the House, as follows:
- 3 1. Page 13, line 27, by striking the figure
- 4 "65,935" and inserting the following: "100,446".

By TOM FLYNN
TOM VILSACK

Lost 4/8/97 (P. 1036)

S-3385 FILED APRIL 7, 1997

HOUSE FILE 655

S-3387

- 1 Amend House File 655, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 14, by inserting after line 30 the
- 4 following:
- 5 "It is the intent of the general assembly that each
- 6 regional workforce development center designate a
- 7 business liaison outreach officer. The business
- 8 liaison outreach officer shall actively seek input
- 9 from area businesses regarding actual labor needs of
- 10 businesses within the region, determine the extent to
- 11 which area businesses have utilized or are utilizing
- 12 job placement services to meet these labor needs,
- 13 examine the past and current record of job placement
- 14 services regarding the ability to respond to these
- 15 labor needs through the referral of qualified job
- 16 applicants, and develop a plan for implementing
- 17 necessary changes for improving the level of business
- 18 utilization of job placement services and the ability
- 19 to refer qualified job applicants in the future."

By TOM FLYNN

Lost 4/8/97 (P. 1038)

S-3387 FILED APRIL 7, 1997

HOUSE FILE 655

S-3388

- 1 Amend House File 655, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 17, by inserting after line 25 the
- 4 following:
- 5 "Sec. ____ . To the extent possible, the
- 6 administrative rules for the high technology
- 7 apprenticeship programs authorized in section 260F.6B
- 8 shall be generally consistent with the current
- 9 administrative rules in 261 IAC ch. 17, with the
- 10 exception that the definition of "currently existing
- 11 program" shall be stricken."
- 12 2. By renumbering as necessary.

By ALLEN BORLAUG
DERRYL McLAREN

*Adopted 4-8-97
(P. 1038)*

S-3388 FILED APRIL 7, 1997

HOUSE FILE 655

S-3411

1 Amend House File 655, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 3, by inserting after line 2 the
4 following:

5 "As a condition on the use of any portion of the
6 appropriation made under this lettered paragraph for
7 making awards from the community economic betterment
8 program account, the department shall provide that
9 awards under the community economic betterment program
10 of \$500,000 or more must be made to businesses able to
11 pay at least 130 percent of the average county wage,
12 shall review the wage cap in high-wage counties and
13 provide that the wage cap is tied to an appropriate
14 inflator for determining eligibility for awards, and
15 shall provide, in addition to all other existing
16 requirements for awards from the community economic
17 betterment program account, that the remaining 10
18 percent of the funds shall be transferred by the
19 department to other programs within the strategic
20 investment fund and used for purposes other than the
21 community economic betterment program if, after 90
22 percent of funds in the account have been obligated
23 for the fiscal year, either of the following
24 conditions have not been met:

25 (1) All projects approved have starting wages not
26 less than 100 percent of the lesser of either the
27 average county wage or the average regional wage, as
28 compiled annually by the department for the community
29 economic betterment program. For the purposes of this
30 lettered paragraph, the average regional wage shall be
31 compiled based upon the service delivery areas in
32 section 84B.2.

33 (2) The average starting wage for the businesses
34 for which the awards were made under the program shall
35 exceed 100 percent of the statewide average wage."

By TOM VILSACK

S-3411 FILED APRIL 7, 1997

Fast 4/8/97 (p. 1035)

HOUSE AMENDMENT TO SENATE AMENDMENT TO
HOUSE FILE 655

S-3448

1 Amend the Senate amendment, H-1611, to House File
2 655, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 1, by striking line 13.

5 2. By renumbering as necessary.

RECEIVED FROM THE HOUSE

S-3448 FILED APRIL 9, 1997

CONCURRED (p. 1084)

HOUSE FILE 655

S-3429

1 Amend House File 655, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 2, by inserting after line 8 the
4 following:

5 "Starting in the fiscal year beginning July 1,
6 1997, the department shall annually study the effects
7 supplementing horse race purses with a percentage of
8 annual adjusted gross receipts received from gambling
9 games pursuant to section 99F.6 has on thoroughbred
10 breeders and owners in Iowa. The department shall
11 file a report providing the findings of the study to
12 the general assembly no later than January 15 of each
13 year starting in the fiscal year beginning July 1,
14 1998."

15 2. Page 16, by inserting after line 15 the
16 following:

17 "Sec. ____ . Section 99F.6, subsection 4, paragraph
18 a, Code 1997, is amended to read as follows:

19 a. Before a license is granted, the division of
20 criminal investigation of the department of public
21 safety shall conduct a thorough background
22 investigation of the applicant for a license to
23 operate a gambling game operation on an excursion
24 gambling boat. The applicant shall provide
25 information on a form as required by the division of
26 criminal investigation. A qualified sponsoring
27 organization licensed to operate gambling games under
28 this chapter shall distribute the receipts of all
29 gambling games, less reasonable expenses, charges,
30 taxes, fees, and deductions allowed under this
31 chapter, as winnings to players or participants or
32 shall distribute the receipts for educational, civic,
33 public, charitable, patriotic, or religious uses as
34 defined in section 99B.7, subsection 3, paragraph "b".
35 However, if a licensee who is also licensed to conduct
36 pari-mutuel wagering at a horse racetrack has unpaid
37 debt from the pari-mutuel racetrack operations, the
38 first receipts of the gambling games operated within
39 the racetrack enclosure less reasonable operating
40 expenses, taxes, and fees allowed under this chapter
41 shall be first used to pay the annual indebtedness.
42 The commission shall authorize, subject to the debt
43 payments for horse racetracks and the provisions of
44 paragraph "b" for dog racetracks, a licensee who is
45 also licensed to conduct pari-mutuel dog or horse
46 racing to use receipts from gambling games within the
47 racetrack enclosure to supplement purses for races
48 particularly for Iowa-bred horses pursuant to an
49 agreement which shall be negotiated between the
50 licensee and representatives of the dog or horse

S-3429

-1-

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Page 2

1 owners. For a licensee who is also licensed to
 2 conduct pari-mutuel horse racing, the supplement to
 3 the horse race purses shall be an amount equal to
 4 fifteen percent of the annual adjusted gross receipts
 5 received from gambling games and, of the total sum
 6 allocated to supplement horse race purses, twenty
 7 percent shall be used to supplement the purses of
 8 Iowa-bred horses. A qualified sponsoring organization
 9 shall not make a contribution to a candidate,
 10 political committee, candidate's committee, state
 11 statutory political committee, county statutory
 12 political committee, national political party, or
 13 fund-raising event as these terms are defined in
 14 section 56.2. The membership of the board of
 15 directors of a qualified sponsoring organization shall
 16 represent a broad interest of the communities."
 17 3. By renumbering as necessary.

By JACK RIFE

S-3429 FILED APRIL 8, 1997

WITHDRAWN (p. 1034)

HOUSE FILE 655

S-3419

1 Amend House File 655, as amended, passed, and
 2 reprinted by the House, as follows:
 3 1. Page 16, line 3, by inserting after the word
 4 "shelters." the following: "Of the moneys in the
 5 fund, not less than five hundred forty-six thousand
 6 dollars shall be spent annually on homeless shelter
 7 projects."

By ROBERT E. DVORSKY

S-3419 FILED APRIL 8, 1997

ADOPTED
(p. 1038)

HOUSE FILE 655

S-3428

1 Amend House File 655, as amended, passed, and
 2 reprinted by the House, as follows:
 3 1. Page 3, by inserting after line 2 the
 4 following:
 5 "The department may allocate from the strategic
 6 investment fund up to \$100,000 for the microbusiness
 7 rural enterprise assistance program under section
 8 15.114."

By TOM VILSACK

S-3428 FILED APRIL 8, 1997

ADOPTED (p. 1035)

SENATE AMENDMENT TO HOUSE FILE 655

H-1611

1 Amend House File 655, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 2, line 30, by striking the figure
4 "6,846,466" and inserting the following: "6,796,466".

5 2. Page 3, by inserting after line 2 the
6 following:

7 "The department may allocate from the strategic
8 investment fund up to \$100,000 for the microbusiness
9 rural enterprise assistance program under section
10 15.114."

11 3. Page 7, line 21, by striking the figure
12 "4,077,000" and inserting the following: "4,127,000".

13 4. Page 8, by striking lines 27 through 31.

14 5. Page 11, line 32, by striking the word
15 "industrial" and inserting the following: "labor".

16 6. Page 14, line 1, by inserting after the word
17 "plant" the following: "labor".

18 7. Page 15, by striking lines 29 and 30.

19 8. Page 16, line 3, by inserting after the word
20 "shelters." the following: "Of the moneys in the
21 fund, not less than five hundred forty-six thousand
22 dollars shall be spent annually on homeless shelter
23 projects."

24 9. Page 16, by inserting after line 15 the
25 following:

26 "Sec. _____. Section 260F.2, subsection 11, Code
27 1997, is amended to read as follows::

28 11. "Project" means a training arrangement which
29 is the subject of an agreement entered into between
30 the community college and a business to provide
31 program services. "Project" also means a department-
32 sponsored training arrangement which is sponsored by
33 the department and administered under sections 260F.6A
34 and 260F.6B."

35 10. Page 16, by striking line 21 and inserting
36 the following: "specified in section 260C.44 and
37 which may include both new and statewide
38 apprenticeship programs. Notwithstanding the
39 provisions of section 260F.6, subsection 2, relating
40 to maximum award amounts, moneys allocated to the".

41 11. Page 17, by inserting after line 25 the
42 following:

43 "Sec. _____. To the extent possible, the
44 administrative rules for the high technology
45 apprenticeship programs authorized in section 260F.6B
46 shall be generally consistent with the current
47 administrative rules in 261 IAC ch. 17, with the
48 exception that the definition of "currently existing
49 program" shall be stricken."

50 12. Page 18, line 13, by striking the figure

H-1611

H-1611

Page 2

- 1 "375" and inserting the following: "652".
- 2 13. Page 18, line 16, by striking the word
- 3 "liquidate" and inserting the following: "provide for
- 4 the orderly liquidation of".
- 5 14. Page 18, line 20, by striking the figure
- 6 "375" and inserting the following: "652".
- 7 15. Page 18, by striking line 22 and inserting
- 8 the following:
- 9 "Sec. 200. HOUSING ASSISTANCE INTERIM STUDY. As".
- 10 16. Page 18, by striking lines 25 and 26 and
- 11 inserting the following: "opportunity to learn about
- 12 housing assistance organizations. By".
- 13 17. By striking page 18, line 29, through page
- 14 19, line 9, and inserting the following:
- 15 "Sec. _____. HOUSING ASSISTANCE INFORMATION. By
- 16 October 15, 1997, all housing assistance organizations
- 17 in Iowa are requested to submit a report to the
- 18 secretary of the senate and the chief clerk of the
- 19 house of representatives based on such information as
- 20 is needed for the interim study requested in section
- 21 200."
- 22 18. Page 19, by striking lines 20 and 21 and
- 23 inserting the following:
- 24 "Sec. _____. EFFECTIVE DATE. Sections 23 and 24 of
- 25 this Act, being deemed of immediate importance, take
- 26 effect upon enactment."
- 27 19. By renumbering, relettering, or redesignating
- 28 and correcting internal references as necessary.

4-9-97 (P.1110) RECEIVED FROM THE SENATE
 H-1611 FILED APRIL 8, 1997

Adopted

HOUSE FILE 655

H-1643

- 1 Amend the Senate amendment, H-1611, to House File
- 2 655, as amended, passed, and reprinted by the House,
- 3 as follows:
- 4 1. Page 1, by striking line 13.
- 5 2. By renumbering as necessary.

By DOTZLER of Black Hawk
 HOLVECK of Polk

H-1643 FILED APRIL 9, 1997

Adopted
 4-9-97 (P.1110)



TERRY E. BRANSTAD
GOVERNOR

OFFICE OF THE GOVERNOR

STATE CAPITOL
DES MOINES, IOWA 50319
515 281-5211

April 22, 1997

APR 22 1997

The Honorable Ron Corbett
Speaker of the House
State Capitol Building
LOCAL

Dear Mr. Speaker:

I hereby transmit House File 655, an act appropriating funds to the Department of Economic Development, certain Board of Regents institutions, the Department of Workforce Development, the Public Employment Relations Board, making statutory changes, and providing an effective date.

House File 655 is, therefore, approved on this date with the following exception, which I hereby disapprove.

I am unable to approve Section 29, in its entirety, which relates to the dissolution of the Iowa Seed Capital Corporation. This provision was intended to be enacted in conjunction with House File 652, which would establish a new structure for seed and venture capital programs in Iowa. Due to the uncertain outcome of the General Assembly's deliberations concerning House File 652, I am unable to approve this provision. If House File 652 fails to be enacted, the Iowa Seed Capital Corporation should remain in existence until the General Assembly again has the opportunity to consider the state's seed and venture capital policies in the 1998 session.

For the above reason, I hereby respectfully disapprove this item in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in House File 655 are hereby approved as of this date.

Sincerely,

Terry E. Branstad
Governor

TEB/ps

cc Secretary of State
Secretary of the Senate
Chief Clerk of the House

Item Vetoed

HOUSE FILE 655

AN ACT

APPROPRIATING FUNDS TO THE DEPARTMENT OF ECONOMIC DEVELOPMENT, CERTAIN BOARD OF REGENTS INSTITUTIONS, THE DEPARTMENT OF WORKFORCE DEVELOPMENT, THE PUBLIC EMPLOYMENT RELATIONS BOARD, MAKING STATUTORY CHANGES, AND PROVIDING AN EFFECTIVE DATE.

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

Section 1. DEPARTMENT OF ECONOMIC DEVELOPMENT. There is appropriated from the general fund of the state and other designated funds to the department of economic development for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATIVE SERVICES DIVISION

a. General administration

For salaries, support, maintenance, miscellaneous purposes, and for providing that a business receiving moneys from the department for the purpose of job creation shall make available ten percent of the new jobs created for promise jobs program participants who are qualified for the jobs created and for not more than the following full-time equivalent positions:

..... \$ 1,461,470
..... FTEs 23.75

b. Film office

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

..... \$ 228,493
..... FTEs 2.00

2. BUSINESS DEVELOPMENT DIVISION

a. Business development operations

For salaries, support, maintenance, miscellaneous purposes, for not more than the following full-time equivalent positions, for allocating \$495,000 to support activities in conjunction with the Iowa manufacturing technology center, \$150,000 to the graphic arts center, and \$100,000 to the university of northern Iowa for operation of industrial technology programs at the ag based industrial lubrication center:

..... \$ 3,916,397
..... FTEs 17.76

The business development division may expend up to \$125,000 for a pilot project relating to labor availability recruitment in the areas of information technologists, engineering, and building trades. If a pilot project is implemented, the business development division shall submit a progress report to the general assembly no later than January 1, 1998.

The department shall develop minimum requirements for buildings and sites to be listed on the IMEDIA system.

b. Small business programs

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions for the small business program, the small business advisory council, and targeted small business program:

..... \$ 445,463
..... FTEs 5.00

c. Federal procurement office

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

..... \$ 101,585
..... FTEs 3.00

Notwithstanding section 8.33, moneys remaining unencumbered or unobligated on June 30, 1998, shall not revert and shall be

available for expenditure during the fiscal year beginning July 1, 1998, for the same purposes.

d. Strategic investment fund

For deposit in the strategic investment fund for salaries, support, for not more than the following full-time equivalent positions:

..... \$ 6,796,466
..... FTEs 10.50

The department may allocate from the strategic investment fund up to \$600,000 for the entrepreneurial ventures assistance program. The department shall seek the advice, consultation, and cooperation of the entrepreneurial centers and the major benefactor of the centers in the implementation of the entrepreneurial ventures assistance program.

The department may allocate from the strategic investment fund up to \$100,000 for the microbusiness rural enterprise assistance program under section 15.114.

The department shall provide an annual report on the progress made by the department in making the community economic betterment program a self-sustaining, revolving loan program.

e. Insurance economic development

There is appropriated from moneys collected by the division of insurance in excess of the anticipated gross revenues under section 505.7, subsection 3, to the department for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, for insurance economic development and international insurance economic development:

..... \$ 200,000

f. Value-added agriculture

There is appropriated from the moneys available to support value-added agricultural products and processes, four percent, or so much thereof as is necessary, of the total moneys available to support value-added agricultural products and

processes pursuant to section 423.24 each quarter for administration of the value-added agricultural products and processes financial assistance program as provided in section 15E.111, including salaries, support, maintenance, miscellaneous purposes, and for not more than 2.00 FTEs.

3. COMMUNITY DEVELOPMENT DIVISION

a. Community assistance

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions for administration of the community economic preparedness program, the Iowa community betterment program, and the city development boards:

..... \$ 589,741
..... FTEs 8.50

There is also appropriated from the rural community 2000 program revolving fund established in section 15.287 to the community assistance program for the purposes of the community economic preparedness program:

..... \$ 50,000

b. Main street/rural main street program

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

..... \$ 418,931
..... FTEs 3.00

Notwithstanding section 8.33, moneys committed to grantees under contract from the general fund of the state that remain unexpended on June 30, 1998, shall not revert to any fund but shall be available for expenditure for purposes of the contract during the fiscal year beginning July 1, 1998.

c. Community development program

For salaries, support, maintenance, miscellaneous purposes, for not more than the following full-time equivalent positions, for rural resource coordination, rural community leadership, rural innovations grant program, and the rural enterprise fund:

..... \$ 720,055
..... FTEs 4.50

From moneys appropriated under this paragraph, the department shall distribute \$150,000 equally to Iowa's councils of governments for planning and technical assistance to assist local governments in developing community development strategies for addressing long-term and short-term community needs.

There is also appropriated from the rural community 2000 program revolving fund established in section 15.287 to the rural development program for the purposes of the program including the rural enterprise fund and collaborative skills development training:

..... \$ 529,000

Notwithstanding section 8.33, moneys committed to grantees under contract from the general fund of the state or through transfers from the Iowa community development loan fund or from the rural community 2000 program revolving fund that remain unexpended on June 30, 1998, shall not revert but shall be available for expenditure for purposes of the contract during the fiscal year beginning July 1, 1998.

d. Community development block grant and HOME

For administration and related federal housing and urban development grant administration for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 412,505
..... FTEs 18.75

e. Housing development fund

For providing technical assistance to communities of all sizes and local financial institutions to help meet local housing needs and to provide and transfer matching funds for the HOME program:

..... \$ 1,300,000

Notwithstanding section 8.33, moneys committed to grantees under contract from the housing development fund and moneys transferred for matching funds for the HOME program that remain unexpended or unobligated on June 30, 1998, shall not revert to any fund but shall be available for obligation and expenditure for purposes of those programs during the fiscal year beginning July 1, 1998.

f. Shelter assistance program

For the purposes of the shelter assistance fund:

..... \$ 400,000

4. INTERNATIONAL DIVISION

a. International trade operations

For salaries, support, maintenance, miscellaneous purposes, for allocating \$100,000 to develop markets in, investment opportunities with, and direct trade with greater China, none of which is to be used for gubernatorial or legislative travel purposes, and for not more than the following full-time equivalent positions:

..... \$ 1,317,360
..... FTEs 10.00

From among the full-time equivalent positions authorized by this lettered paragraph, one position shall concentrate on the export sale of grain, one on the export sale of livestock, and one on the export sale of value-added agricultural products.

b. Foreign trade offices

For salaries, support, maintenance, and miscellaneous purposes:

..... \$ 651,150

c. Export trade assistance program

For export trade activities, including a program to encourage and increase participation in trade shows and trade missions by providing financial assistance to businesses for a percentage of their costs of participating in trade shows and trade missions, by providing for the lease/sublease of showcase space in existing world trade centers, by providing

temporary office space for foreign buyers, international prospects, and potential reverse investors, and by providing other promotional and assistance activities, including salaries and support:

..... \$ 425,000

Notwithstanding section 8.33, moneys appropriated by this lettered paragraph which remain unobligated or unexpended on June 30, 1998, shall not revert to the general fund of the state but shall be transferred to and deposited in the strategic investment fund created in section 15.313.

d. Agricultural product advisory council

For support, maintenance, and miscellaneous purposes:

..... \$ 1,300

e. For transfer to the partner state program which the department may use to contract with private groups or organizations which are the most appropriate to administer this program and the groups and organizations participating in the program shall, to the fullest extent possible, provide the funds to match the appropriation made in this paragraph of the funds transferred:

..... \$ 112,500

5. TOURISM DIVISION

a. Tourism operations

For salaries, support, maintenance, miscellaneous purposes, for not more than the following full-time equivalent positions, provided that the appropriation shall not be used for advertising placements for in-state and out-of-state tourism marketing:

..... \$ 772,037

..... FTEs 18.52

b. Tourism advertising

For contracting exclusively for tourism advertising for in-state and out-of-state tourism marketing services, tourism promotion programs, electronic media, print media, and printed materials:

..... \$ 4,127,000

The department shall not use the moneys appropriated in this lettered paragraph, unless the department develops public-private partnerships with Iowa businesses in the tourism industry, Iowa tour groups, Iowa tourism organizations, and political subdivisions in this state to assist in the development of advertising efforts. The department shall, to the fullest extent possible, develop cooperative efforts for advertising with contributions from other sources.

Sec. 2. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding section 15E.120, subsections 5, 6, and 7, and section 15.287, there is appropriated from the Iowa community development loan fund all the moneys available during the fiscal year beginning July 1, 1997, and ending June 30, 1998, to the department of economic development for the rural development program to be used by the department for the purposes of the program.

Sec. 3. JOB TRAINING FUND. Notwithstanding section 15.251, subsection 2, there is appropriated from the job training fund to the department of economic development for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For administration of chapter 260E, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 185,000

..... FTEs 2.40

Appropriations to the department of economic development for administration of chapter 260E and the department of workforce development for the target alliance program shall be funded on a proportional basis if receipts to the job training fund are insufficient to fund both appropriations in their entirety.

Sec. 4. WORKFORCE DEVELOPMENT FUND. There is appropriated from the workforce development fund account created in section 15.342A, for the fiscal year beginning July 1, 1997, and ending June 30, 1998, to the workforce development fund created in section 15.343, the following amount, for the purposes of the workforce development fund:

..... \$ 5,531,028

Sec. 5. APPRENTICESHIP PROGRAM. It is the intent of the general assembly that the department of economic development allocate \$600,000 for high technology apprenticeship programs for the fiscal year beginning July 1, 1997, under the procedures specified in section 15.343.

Sec. 6. Of all funds appropriated to or receipts credited to the job training fund created in section 260F.6, subsection 1, up to \$150,000 for the fiscal year beginning July 1, 1997, and ending June 30, 1998, and not more than 1.30 FTEs may be used for the administration of the Iowa jobs training Act.

Sec. 7. IOWA STATE UNIVERSITY. There is appropriated from the general fund of the state to the Iowa state university of science and technology for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For funding and maintaining in their current locations the existing small business development centers, and for not more than the following full-time equivalent positions:

..... \$ 1,222,880
..... FTEs 5.80

2. For the Iowa state university of science and technology research park, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 370,000
..... FTEs 4.31

3. For funding the institute for physical research and technology, provided that \$318,358 shall be allocated to the industrial incentive program in accordance with the intent of the general assembly, and for not more than the following full-time equivalent positions:

..... \$ 4,273,617
..... FTEs 46.42

It is the intent of the general assembly that the incentive program focus on Iowa industrial sectors and seek contributions and in-kind donations from businesses, industrial foundations, and trade associations and that moneys for the institute for physical research and technology industrial incentive program shall only be allocated for projects which are matched by private sector moneys for directed contract research or for nondirected research. The match required of small businesses as defined in section 15.102, subsection 4, for directed contract research or for nondirected research shall be \$1 for each \$3 of state funds. The match required for other businesses for directed contract research or for nondirected research shall be \$1 for each \$1 of state funds. The match required of industrial foundations or trade associations shall be \$1 for each \$1 of state funds.

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

Notwithstanding section 8.33, moneys appropriated for the fiscal year which remain unobligated and unexpended at the end of the fiscal year shall not revert but shall be available for expenditure the following fiscal year.

Sec. 8. UNIVERSITY OF IOWA. There is appropriated from the general fund of the state to the state university of Iowa

for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the university of Iowa research park, including salaries, support, maintenance, equipment, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 321,700
..... FTEs 4.35

2. For funding the advanced drug development program at the Oakdale research park and for not more than the following full-time equivalent positions:

..... \$ 250,925
..... FTEs 2.85

The board of regents shall submit a report on the progress of regents institutions in meeting the strategic plan for technology transfer and economic development to the chairpersons of the joint appropriations subcommittee on economic development, the joint appropriations subcommittee on education, the majority leader and minority leader of the senate, the majority and minority leaders of the house of representatives, the secretary of the senate, the chief clerk of the house of representatives, and the legislative fiscal bureau by December 1, 1997.

Sec. 9. UNIVERSITY OF NORTHERN IOWA. There is appropriated from the general fund of the state to the university of northern Iowa for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the metal casting institute, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 160,000
..... FTEs 2.75

2. For the institute of decision making, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 667,145
..... FTEs 10.00

Sec. 10. DEPARTMENT OF WORKFORCE DEVELOPMENT. There is appropriated from the general fund of the state, to the department of workforce development for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amounts, or so much thereof as is necessary, for the purposes designated:

1. DIVISION OF LABOR SERVICES

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

..... \$ 2,850,551
..... FTEs 93.00

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

2. DIVISION OF INDUSTRIAL SERVICES

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

..... \$ 2,258,254
..... FTEs 33.00

3. For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent position for the workforce development state and regional boards:

..... \$ 120,534
..... FTE 0.50

4. For salaries, support, maintenance, miscellaneous purposes for collection of labor market information, and for not more than the following full-time equivalent position:

.....	\$	66,250
.....	FTE	1.00

5. For salaries, support, maintenance, and miscellaneous purposes for the mentoring project for family investment program participants, and for not more than the following full-time equivalent positions:

.....	\$	73,051
.....	FTEs	1.50

6. a. Youth workforce programs.
 For purposes of the conservation corps and for not more than the following full-time equivalent positions:

.....	\$	920,853
.....	FTEs	1.80

Notwithstanding section 8.33, moneys committed to grantees under contract that remain unexpended on June 30, 1998, of the fiscal year shall not revert to any fund but shall be available for expenditure for purposes of the contract during the fiscal year beginning July 1, 1998.

b. Workforce investment program
 For a competitive grant program by the department for projects that increase Iowa's pool of available labor via training and support services with priority given to projects which serve displaced homemakers or welfare recipients, including salaries and support, and not more than the following full-time equivalent position:

.....	\$	479,831
.....	FTE	0.90

The department shall ensure that the workforce investment program is coordinated with services provided under the federal Job Training Partnership Act and that welfare recipients receive priority for services under both programs.

Notwithstanding section 8.33, moneys committed to grantees under contract that remain unexpended on June 30, 1998, shall not revert to any fund but shall be available for expenditure for purposes of the contract during the fiscal year beginning July 1, 1998.

c. Labor management coordinator
 For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent position:

.....	\$	65,935
.....	FTE	1.00

The Iowa workforce development board shall be responsible for the functions previously conducted by the state labor management cooperation council. The board, the department of workforce development, and the labor management coordinator shall cooperate to improve communications and facilitate dialogue between labor, management, and government on workforce development problems facing the state, to form in-plant labor management committees, and to provide technical assistance to establish effective labor management policies in the state.

Sec. 11. JOB TRAINING FUND. Notwithstanding section 15.251, subsection 2, there is appropriated from the job training fund to the department of workforce development for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the target alliance program:

.....	\$	30,000
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Sec. 12. ADMINISTRATIVE CONTRIBUTION SURCHARGE FUND. There is appropriated from the administrative contribution surcharge fund of the state to the department of workforce development for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, for the purposes designated:

DIVISION OF JOB SERVICE

Notwithstanding section 96.7, subsection 12, paragraph "c", for salaries, support, maintenance, conducting labor availability surveys, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 6,720,000
..... FTEs 144.12

The division shall continue charging a \$65 filing fee for workers' compensation cases. The filing fee shall be paid by the petitioner of a claim. However, the fee can be taxed as a cost and paid by the losing party, except in cases where it would impose an undue hardship or be unjust under the circumstances.

Sec. 13. EMPLOYMENT SECURITY CONTINGENCY FUND. There is appropriated from the special employment security contingency fund to the department of workforce development for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amounts, or so much thereof as is necessary, for the purposes designated:

1. DIVISION OF LABOR SERVICES

For salaries, support, maintenance, and miscellaneous purposes:

..... \$ 296,000

2. DIVISION OF INDUSTRIAL SERVICES

For salaries, support, maintenance, and miscellaneous purposes:

..... \$ 175,000

Any additional penalty and interest revenue may be used to accomplish the mission of the department.

Sec. 14. PUBLIC EMPLOYMENT RELATIONS BOARD. There is appropriated from the general fund of the state to the public employment relations board for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, for the purposes designated:

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

..... \$ 818,685
..... FTEs 12.80

Sec. 15. Moneys remaining in the division-approved training fund created in 1990 Iowa Acts, chapter 1261, section 5, subsection 2, paragraph "d", is appropriated to the department of workforce development to provide training and direct client services to promise jobs recipients in the fiscal year beginning July 1, 1997. The division-approved training fund is closed out June 30, 1998.

Sec. 16. NEW SECTION. 15.350 SHELTER ASSISTANCE FUND.

A shelter assistance fund is created as a revolving fund in the state treasury under the control of the department consisting of any moneys appropriated by the general assembly and received under section 428A.8 for purposes of the construction, rehabilitation, expansion, or costs of operations of group home shelters for the homeless and domestic violence shelters. Of the moneys in the fund, not less than five hundred forty-six thousand dollars shall be spent annually on homeless shelter projects. Notwithstanding section 8.33, all moneys in the shelter assistance fund which remain unexpended or unobligated at the close of the fiscal year shall not revert to the general fund of the state but shall remain available for expenditure for subsequent fiscal years.

Sec. 17. Section 16.5, Code 1997, is amended by adding the following new subsection:

NEW SUBSECTION. 17. Provide moneys to the shelter assistance fund created in section 15.350.

Sec. 18. Section 16.40, subsection 2, Code 1997, is amended by striking the subsection.

Sec. 19. Section 16.100, subsection 2, paragraph a, Code 1997, is amended by striking the subsection.

Sec. 20. Section 260F.2, subsection 11, Code 1997, is amended to read as follows:

11. "Project" means a training arrangement which is the subject of an agreement entered into between the community college and a business to provide program services. "Project" also means a department-sponsored training arrangement which is sponsored by the department and administered under sections 260F.6A and 260F.6B.

Sec. 21. NEW SECTION. 260F.6B HIGH TECHNOLOGY APPRENTICESHIP PROGRAM.

The community colleges and the department of economic development are authorized to fund high technology apprenticeship programs which comply with the requirements specified in section 260C.44 and which may include both new and statewide apprenticeship programs. Notwithstanding the provisions of section 260F.6, subsection 2, relating to maximum award amounts, moneys allocated to the community colleges with high technology apprenticeship programs shall be distributed to the community colleges based upon contact hours under the programs administered during the prior fiscal year as determined by the department of education. The department of economic development shall adopt rules governing this section's operation and participant eligibility.

Sec. 22. Section 428A.8, unnumbered paragraph 1, Code 1997, is amended to read as follows:

On or before the tenth day of each month the county recorder shall determine and pay to the treasurer of state eighty-two and three-fourths percent of the receipts from the real estate transfer tax collected during the preceding month and the treasurer of state shall deposit ninety-five percent of the receipts in the general fund of the state and transfer five percent of the receipts to the ~~Iowa-finance-authority-for deposit-in-the-housing-improvement-fund-created-in-section 16.100~~ shelter assistance fund created in section 15.350.

Sec. 23. 1996 Iowa Acts, chapter 1218, section 55, subsection 3, is amended to read as follows:

3. The moneys appropriated in this section shall be used only for providing assistance in ~~the-form-of-loan-guarantees, irrevocable-letters-of-credit, and~~ accordance with section 15E.175, subsection 3, paragraph "b". However, to be eligible for funding an indemnification for liability agreements agreement shall be entered into prior to October-15, 1996 June 30, 1998.

Sec. 24. 1996 Iowa Acts, chapter 1219, section 92, is amended to read as follows:

SEC. 92. There is allocated from the unobligated funds remaining in the Wallace technology transfer foundation fund, after the allocation in section 78, subsection 2, paragraph "d", of this Act, on June 30, 1996, \$100,000 for deposit in the housing improvement fund created in section 16.100 for the purposes of the fund. Any funds remaining shall not revert to any fund, notwithstanding section 8.33. Unobligated funds remaining on June 30, 1997, shall revert to the ~~general-fund of-the-state~~ strategic investment fund created in section 15.313.

Sec. 25. To the extent possible, the administrative rules for the high technology apprenticeship programs authorized in section 260F.6B shall be generally consistent with the current administrative rules in 261 IAC ch. 17, with the exception that the definition of "currently existing program" shall be stricken.

Sec. 26. All physical assets of the Wallace technology transfer foundation shall be transferred to the possession of the department of economic development on June 30, 1997.

Sec. 27. In providing moneys from the shelter assistance fund to homeless shelter programs, the department is requested to consider exploring the potential to allocate moneys to homeless shelter programs based in part on their ability to move their clients toward self-sufficiency.

Sec. 28. The department of economic development and the department of workforce development shall within the budget

proposals for the fiscal year beginning July 1, 1999, detail the number of FTEs and contract employees included in the budget proposal. During the budget process for the fiscal year beginning July 1, 1999, the joint economic development appropriation subcommittee shall examine contract employees in relationship to the budgets of the department of economic development and the department of workforce development.

Sec. 29. On or before June 30, 1998, the board of directors of the Iowa seed capital corporation shall wind up the affairs of the corporation, including termination of staff, dissolution of the corporation, and transfer of remaining assets and liabilities to the Iowa capital investment board pursuant to H.F. 652, if enacted. In the event that the remaining assets and liabilities cannot be transferred to the Iowa capital investment board, the board of directors of the Iowa seed capital corporation shall provide for the orderly liquidation of all assets, settle existing liabilities, and transfer remaining moneys to the general fund of the state. The joint appropriations subcommittee on economic development supports the implementation of H.F. 652 relating to the increasing of venture capital in Iowa.

Vetved

Sec. 30. HOUSING ASSISTANCE INTERIM STUDY. As housing in Iowa is a critical need, the legislative council is requested to establish an interim committee to provide the opportunity to learn about housing assistance organizations. By October 30, 1997, the study committee shall submit a report to the general assembly.

Sec. 31. HOUSING ASSISTANCE INFORMATION. By October 15, 1997, all housing assistance organizations in Iowa are requested to submit a report to the secretary of the senate and the chief clerk of the house of representatives based on such information as is needed for the interim study requested in section 30.

Sec. 32. BUDGET PROPOSALS. The department of economic development and the department of workforce development shall

submit all budget proposals in the traditional format as well as in the budgeting for results format for the fiscal year beginning July 1, 1998.

Sec. 33. FEDERAL GRANTS. All federal grants to and the federal receipts of agencies appropriated funds under this Act, not otherwise appropriated, are appropriated for the purposes set forth in the federal grants or receipts unless otherwise provided by the general assembly.

Sec. 34. EFFECTIVE DATE. Sections 23 and 24 of this Act, being deemed of immediate importance, take effect upon enactment.

RON J. CORBETT
Speaker of the House

MARY E. KRAMER
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 655, Seventy-seventh General Assembly.

Item Vetved
Approved *April 22* 1997

ELIZABETH ISAACSON
Chief Clerk of the House

TERRY E. BRANSTAD
Governor