

Nelson, Ch
Cormack
Dotzler

HSB 51

ECONOMIC DEVELOPMENT

SENATE/HOUSE FILE SF/HF 30
BY (PROPOSED DEPARTMENT OF
ECONOMIC DEVELOPMENT BILL)

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

A BILL FOR

1 An Act relating to the workforce development fund account and
2 fees paid by community colleges and generated by the funding
3 of new jobs training programs.

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

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1 Section 15.251, subsection 2, Code 1999, is
2 amended to read as follows:

3 2. The department may charge, within thirty days following
4 the sale of certificates under chapter 260E, the board of
5 directors of the merged area a fee of up to one percent of the
6 gross sale amount of the certificates issued. The amount of
7 this fee shall be deposited into and allowed to accumulate in
8 a job training fund created in the department ~~and may be used~~
9 ~~by the department to cover the costs of management of chapter~~
10 ~~260E and to support other efforts by the community colleges~~
11 ~~related to providing productivity and quality enhancement~~
12 ~~training.~~ Funds At the end of each fiscal year, all funds
13 deposited under this subsection into the job training fund
14 during a the fiscal year ~~which are not expended by the~~
15 ~~department in that fiscal year are available for use by the~~
16 ~~department under this subsection for subsequent fiscal years~~
17 shall be transferred to the workforce development fund account
18 established in section 15.342A.

19 Sec. 2. Section 15.342A, Code 1999, is amended to read as
20 follows:

21 15.342A WORKFORCE DEVELOPMENT FUND ACCOUNT.

22 A workforce development fund account is established in the
23 office of the treasurer of state under the control of the
24 department. The account shall receive funds pursuant to
25 section 422.16A up to a maximum of ten million dollars per
26 year. The account shall also receive funds pursuant to
27 section 15.251 with no dollar limitation.

28 Sec. 3. Section 15.343, subsection 2, Code 1999, is
29 amended by adding the following new paragraph:

30 NEW PARAGRAPH. e. To cover the costs of the
31 administration of workforce development programs and services
32 available through the department. A portion of these funds
33 may be used to support efforts by the community colleges to
34 provide workforce services to Iowa employers.

35 EXPLANATION

1 This bill provides that fees received by the department of
 2 economic development from community colleges generated through
 3 the sale of certificates to fund new jobs training programs
 4 under Code chapter 260E are to be deposited and accumulate in
 5 the department's job training fund and then transferred at the
 6 end of the fiscal year to the workforce development fund
 7 account. The bill provides that moneys in the workforce
 8 development fund account can be used to cover costs of the
 9 administration of workforce development programs and to
 10 support efforts by the community colleges to provide workforce
 11 services to Iowa employers.

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TO: General Assembly
FROM: Kim Statler, IDED Legislative Liaison
DATE: November 30, 1998
RE: 260E Administration Funds

Currently, IDED bills the community colleges for one percent of a bond issuance after a 260E job-training project is finalized. The one percent funds are then accumulated in an account at the department. The General Assembly appropriates an amount each year that can be drawn from the one percent funds to be used to cover IDED administrative costs associated with the 260E program. A portion of these funds have also been appropriated to support the Governor's Target Alliance program in the Iowa Workforce Development department. Excesses above the appropriated amount have been used, as authorized by the code, for purposes of enhancing the community colleges ability to serve Iowa business and industry in the training area.

In order to better streamline the total administration dollars for workforce development programs, IDED will be requesting that the one percent funds be allowed to accumulate during the year and then be transferred to the Workforce Development Fund. A portion of the one percent funds will be used for workforce program administration. The remainder of the one percent will be used to continue enhancing the capacity of the community colleges and will be available to the existing programs in the workforce development fund.

FEB 22 1999

Place On Calendar

HOUSE FILE 337
BY COMMITTEE ON ECONOMIC
DEVELOPMENT

(SUCCESSOR TO HSB 51)

Passed House, Date ^(P. 609) 3/10/99 Passed Senate, Date ^(P. 1518) 4-27-99
Vote: Ayes 96 Nays 0 Vote: Ayes 47 Nays 0
Approved May 26, 1997

A BILL FOR

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HF 337

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30 NEW PARAGRAPH. e. To cover the costs of the
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AN ACT

RELATING TO THE WORKFORCE DEVELOPMENT FUND ACCOUNT AND FEES
PAID BY COMMUNITY COLLEGES AND GENERATED BY THE FUNDING OF
NEW JOBS TRAINING PROGRAMS.

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

Section 1. Section 15.251, subsection 2, Code 1999, is amended to read as follows:

2. The department may charge, within thirty days following the sale of certificates under chapter 260E, the board of directors of the merged area a fee of up to one percent of the gross sale amount of the certificates issued. The amount of this fee shall be deposited ~~into and allowed to accumulate in a job training fund created in the department and may be used by the department to cover the costs of management of chapter 260E and to support other efforts by the community colleges related to providing productivity and quality enhancement training.~~ Funds At the end of each fiscal year, all funds deposited under this subsection into the job training fund during a the fiscal year which are not expended by the department in that fiscal year are available for use by the department under this subsection for subsequent fiscal years shall be transferred to the workforce development fund account established in section 15.342A.

Sec. 2. Section 15.342A, Code 1999, is amended to read as follows:

15.342A WORKFORCE DEVELOPMENT FUND ACCOUNT.

A workforce development fund account is established in the office of the treasurer of state under the control of the department. The account shall receive funds pursuant to section 422.16A up to a maximum of ten million dollars per year. The account shall also receive funds pursuant to

section 15.251 with no dollar limitation.

Sec. 3. Section 15.343, subsection 2, Code 1999, is amended by adding the following new paragraph:

NEW PARAGRAPH. e. To cover the costs of the administration of workforce development programs and services available through the department. A portion of these funds may be used to support efforts by the community colleges to provide workforce services to Iowa employers.

BRENT SIEGRIST
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 337, Seventy-eighth General Assembly.

ELIZABETH ISAACSON
Chief Clerk of the House

Approved May 26, 1999

THOMAS J. VILSACK
Governor