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MAR 23 2001

HOUSE FILE 695

Place On Calendar

BY COMMITTEE ON ECONOMIC DEVELOPMENT

(SUCCESSOR TO HF 616)

Passed House, Date ^(P.962) 3-28-01 Passed Senate, Date 5/3/01 ^(P.147)
Vote: Ayes 94 Nays 0 Vote: Ayes 49 Nays 0
Approved 5/31/01

A BILL FOR

1 An Act relating to the school-to-career program.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 695

1 Section 1. Section 15.362, Code 2001, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 1A. "Employer" means an employer or a
4 consortium of two or more employers.

5 Sec. 2. Section 15.364, subsections 7 and 8, Code 2001,
6 are amended by striking the subsections.

7 EXPLANATION

8 This bill makes amendments to the school-to-career program.

9 The bill eliminates two provisions which are currently
10 required to be in an agreement between an employer and a
11 participant for a certified program. The provisions relate to
12 the two-year work requirement following the completion of the
13 participant's postsecondary education required by the
14 certified program.

15 The bill also adds a definition of "employer" which means
16 an employer or a consortium of two or more employers.

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HOUSE FILE 695

H-1331

1 Amend House File 695 as follows:

2 1. Page 1, by inserting after line 6, the
3 following:

4 "Sec.. Section 15.365, subsection 1, Code
5 2001, is amended to read as follows:

6 1. An employer who employs a participant in a
7 certified school-to-career program may claim a refund
8 of twenty percent of the employer's payroll
9 expenditures for each participant in the certified
10 program or twenty percent of the employer's
11 expenditures for nonpaid participant experience
12 expenses provided for in the certified program
13 agreement. The expenses may include instructor
14 expenses, instructional materials, up to one hundred
15 fifty thousand dollars of training facility costs, and
16 project coordination. The refund is limited to the
17 first four hundred hours of payroll or nonpaid
18 participant experience expenditures per participant
19 for each calendar year the participant is in the
20 certified program, not to exceed three years per
21 participant."

22 2. By renumbering as necessary.

By BRUNKHORST of Bremer
DOTZLER of Black Hawk

H-1331 FILED MARCH 26, 2001

Adopted
3/28/01
(P. 962)

H-1354

1 Amend the amendment, H-1331, to House File 695 as
2 follows:

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

5 "____. Page 1, by inserting after line 4 the
6 following:

7 "Sec. ____ . Section 15.364, subsection 6, Code
8 2001, is amended to read as follows:

9 6. That in addition to the base wage paid to the
10 participant, the employer shall pay an additional sum
11 to be held in trust to be applied toward the
12 participant's postsecondary education required for
13 completion of the certified program. The additional
14 amount must be not less than an amount determined by
15 the department of economic development to be
16 sufficient to provide payment of tuition expenses
17 toward completion of not more than two academic years
18 of the required postsecondary education component of
19 the certified program at an Iowa community college or
20 an Iowa public or private college or university. This
21 amount shall be held in trust for the benefit of the
22 participant pursuant to rules adopted by the
23 department of economic development. Payment into an
24 ERISA-approved fund for the benefit of the participant
25 shall satisfy this requirement. The specific fund
26 shall be specified in the agreement. An employer that
27 is a consortium of two or more employers shall not be
28 subject to the requirements of this subsection."

29 2. Page 1, by striking line 13 and inserting the
30 following: "agreement which may include instructor".

31 3. Page 1, line 15, by inserting after the word
32 "costs" the following: "per program".

33 4. Page 1, line 16, by striking the word
34 "coordination." and inserting the following:
35 "coordination."

36 5. By renumbering as necessary.

By BRUNKHORST of Bremer
DOTZLER of Black Hawk

H-1354 FILED MARCH 27, 2001

Adopted
3/28/01
(p. 962)

5. 4/4/01 Do Pass

5.4/12/01 UNFINISHED BUSINESS CALENDAR

HOUSE FILE 695
BY COMMITTEE ON ECONOMIC DEVELOPMENT

(SUCCESSOR TO HF 616)

(As Amended and Passed by the House March 28, 2001)

Re Passed House, Date 5/3/01 (p.1840) Passed Senate, Date 5/3/01 (p.1477)
Vote: Ayes 95 Nays 0 Vote: Ayes 49 Nays 0
Approved 5/31/01

A BILL FOR

1 An Act relating to the school-to-career program.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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House Amendments _____

1 Section 1. Section 15.362, Code 2001, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 1A. "Employer" means an employer or a
4 consortium of two or more employers.

5 Sec. 2. Section 15.364, subsection 6, Code 2001, is
6 amended to read as follows:

7 6. That in addition to the base wage paid to the
8 participant, the employer shall pay an additional sum to be
9 held in trust to be applied toward the participant's
10 postsecondary education required for completion of the
11 certified program. The additional amount must be not less
12 than an amount determined by the department of economic
13 development to be sufficient to provide payment of tuition
14 expenses toward completion of not more than two academic years
15 of the required postsecondary education component of the
16 certified program at an Iowa community college or an Iowa
17 public or private college or university. This amount shall be
18 held in trust for the benefit of the participant pursuant to
19 rules adopted by the department of economic development.
20 Payment into an ERISA-approved fund for the benefit of the
21 participant shall satisfy this requirement. The specific fund
22 shall be specified in the agreement. An employer that is a
23 consortium of two or more employers shall not be subject to
24 the requirements of this subsection.

25 Sec. 3. Section 15.364, subsections 7 and 8, Code 2001,
26 are amended by striking the subsections.

27 Sec. 4. Section 15.365, subsection 1, Code 2001, is
28 amended to read as follows:

29 1. An employer who employs a participant in a certified
30 school-to-career program may claim a refund of twenty percent
31 of the employer's payroll expenditures for each participant in
32 the certified program or twenty percent of the employer's
33 expenditures for nonpaid participant experience expenses
34 provided for in the certified program agreement which may
35 include instructor expenses, instructional materials, up to

1 one hundred fifty thousand dollars of training facility costs
2 per program, and project coordination. The refund is limited
3 to the first four hundred hours of payroll or nonpaid
4 participant experience expenditures per participant for each
5 calendar year the participant is in the certified program, not
6 to exceed three years per participant.

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HOUSE FILE 695

S-3608

1 Amend House File 695, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 1, line 24, by inserting after the word
4 "subsection" the following: "if tuition is included
5 as part of a stipend paid by the employer to a
6 participant and can be identified as such".
7 2. Page 1, line 33, by striking the word
8 "nonpaid".
9 3. Page 2, line 3, by striking the word
10 "nonpaid".

By MIKE CONNOLLY
PAUL MCKINLEY

S-3608 FILED MAY 2, 2001 *adopted 5/3/01 (p.1476)*

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SENATE AMENDMENT TO HOUSE FILE 695

H-1958

1 Amend House File 695, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 1, line 24, by inserting after the word
4 "subsection" the following: "if tuition is included
5 as part of a stipend paid by the employer to a
6 participant and can be identified as such".
7 2. Page 1, line 33, by striking the word
8 "nonpaid".
9 3. Page 2, line 3, by striking the word
10 "nonpaid".

RECEIVED FROM THE SENATE

H-1958 FILED MAY 3, 2001
Concurred (p.1840)

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HOUSE FILE 695

AN ACT

RELATING TO THE SCHOOL-TO-CAREER PROGRAM.

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

Section 1. Section 15.362, Code 2001, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. "Employer" means an employer or a consortium of two or more employers.

Sec. 2. Section 15.364, subsection 6, Code 2001, is amended to read as follows:

6. That in addition to the base wage paid to the participant, the employer shall pay an additional sum to be held in trust to be applied toward the participant's postsecondary education required for completion of the certified program. The additional amount must be not less than an amount determined by the department of economic development to be sufficient to provide payment of tuition expenses toward completion of not more than two academic years of the required postsecondary education component of the certified program at an Iowa community college or an Iowa public or private college or university. This amount shall be held in trust for the benefit of the participant pursuant to rules adopted by the department of economic development. Payment into an ERISA-approved fund for the benefit of the participant shall satisfy this requirement. The specific fund shall be specified in the agreement. An employer that is a consortium of two or more employers shall not be subject to the requirements of this subsection if tuition is included as part of a stipend paid by the employer to a participant and can be identified as such.

Sec. 3. Section 15.364, subsections 7 and 8, Code 2001, are amended by striking the subsections.

Sec. 4. Section 15.365, subsection 1, Code 2001, is amended to read as follows:

1. An employer who employs a participant in a certified school-to-career program may claim a refund of twenty percent of the employer's payroll expenditures for each participant in the certified program or twenty percent of the employer's expenditures for participant experience expenses provided for in the certified program agreement which may include instructor expenses, instructional materials, up to one hundred fifty thousand dollars of training facility costs per program, and project coordination. The refund is limited to the first four hundred hours of payroll or participant experience expenditures per participant for each calendar year

the participant is in the certified program, not to exceed three years per participant.

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 695, Seventy-ninth General Assembly.

MARGARET THOMSON
Chief Clerk of the House

Approved 5/31, 2001

THOMAS J. VILSACK
Governor