

SENATE FILE 2311
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SSB 3179)

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

A BILL FOR

1 An Act relating to appropriations for economic development
2 purposes, workforce development field offices, workforce
3 training and economic development funds of community colleges,
4 and including effective date and retroactive applicability
5 provisions.

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

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APPROPRIATIONS
SF 2311

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DIVISION I

APPROPRIATION RELATED

Section 1. CONTRACT OR APPROVED PROJECT OR ACTIVITY

VALIDATION. Any contract or approved project or activity originally funded or intended to be funded in whole or in part with moneys from the grow Iowa values fund, and entered into or approved by the department of economic development or the grow Iowa values board after June 30, 2003, and before June 16, 2004, in reliance on the publication of law implementing the grow Iowa values fund in the 2003 Code Supplement and 2003 Iowa Acts, is valid and enforceable to the full extent of the law. The Iowa supreme court decision in Rants and Iverson v. Vilsack, No. 60/03-1948, June 16, 2004, and the provisions of this Act shall not in themselves constitute grounds for rescision or modification of such contracts or approved projects or activities. This Act provides appropriations to fund these contracts or approved projects or activities.

Sec. 2. ECONOMIC DEVELOPMENT APPROPRIATIONS.

1. There is appropriated from the fund created in subsection 2, to the following designated entities and funds for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. (1) To the department of economic development for marketing strategies for the state:
..... \$ 6,782,949

(2) Of the amount appropriated in subparagraph (1), \$6,771,417 shall be expended pursuant to contracts or approved projects or activities validated in this division of this Act.

b. (1) To the department of economic development for financial assistance and incentives to businesses under programs currently existing which are administered by the department:
..... \$ 61,045,652

(2) Of the amount appropriated in subparagraph (1),

1 \$36,915,343 shall be expended pursuant to contracts or
2 approved projects or activities validated in this division of
3 this Act.

4 (3) In addition to the amount appropriated in subparagraph
5 (1), \$700,000 of any interest or earnings on moneys in the
6 fund created in subsection 2 which are credited to the fund
7 shall be appropriated to the department for the purposes
8 specified in subparagraph (1).

9 c. To the department of economic development for providing
10 financial assistance for projects in targeted state parks and
11 destination parks pursuant to contracts or approved projects
12 or activities validated in this division of this Act:

13 \$ 475,806

14 d. (1) For deposit in the loan and credit guarantee fund
15 created in section 15E.227:

16 \$ 5,728,402

17 (2) Of the amount appropriated in subparagraph (1), \$1,785
18 shall be expended pursuant to contracts or approved projects
19 or activities validated in this division of this Act.

20 e. To the department of economic development for financial
21 assistance for institutions of higher learning under the
22 control of the board of regents and for accredited private
23 institutions pursuant to contracts or approved projects or
24 activities validated in this division of this Act:

25 \$ 10,058,162

26 f. (1) To the department of economic development for
27 deposit into the workforce training and economic development
28 funds of the community colleges pursuant to section 260C.18A:

29 \$ 3,848,668

30 (2) Of the amount appropriated in subparagraph (1),
31 \$742,608 shall be expended pursuant to contracts or approved
32 projects or activities validated in this division of this Act.

33 g. To the department of economic development for deposit
34 into the workforce training and economic development funds of
35 the community colleges created in section 260C.18A for

1 purposes of the job retention program pursuant to section
2 260F.9:

3 \$ 1,000,000

4 h. To the department of economic development for endow
5 Iowa grants to lead philanthropic entities pursuant to section
6 15E.304:

7 \$ 155,303

8 i. To the department of economic development for deposit
9 into the general fund of the state for lost revenue due to
10 endow Iowa tax credits granted pursuant to section 15E.305:

11 \$ 155,303

12 j. For deposit into the cash reserve fund to replace
13 claims paid from the general fund of the state by the state
14 appeal board as affirmed in section 3 of this division of this
15 Act:

16 \$ 10,749,754

17 2. A federal economic stimulus and jobs holding fund is
18 created in the state treasury under the control of the
19 department of management consisting of moneys received from
20 the federal government for state and local government fiscal
21 relief under the federal Jobs and Growth Tax Relief
22 Reconciliation Act of 2003. Notwithstanding section 12C.7,
23 interest or earnings on moneys in the fund shall be credited
24 to the fund. Moneys appropriated from the fund in this
25 section shall be expended as provided in the federal law
26 making the moneys available and in conformance with chapter
27 17A.

28 3. Notwithstanding section 8.33, moneys that remain
29 unexpended at the end of a fiscal year shall not revert to any
30 fund but shall remain available for expenditure for the
31 designated purposes during the succeeding fiscal year.

32 Sec. 3. PAYMENT OF CLAIMS. The general assembly affirms
33 the action by the state appeal board on August 27, 2004,
34 approving payment of claims against the state for moneys
35 appropriated from the grow Iowa values fund and obligated

1 prior to the Iowa supreme court decision of Rants and Iverson
2 v. Vilsack, No. 60/03-1948, June 16, 2004, that invalidated
3 the proper enactment of the appropriations.

4 Sec. 4. REPEAL. 2003 Iowa Acts, First Extraordinary
5 Session, chapter 2, sections 65 through 75, are repealed.

6 Sec. 5. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.

7 This division of this Act, being deemed of immediate
8 importance, takes effect upon enactment and applies
9 retroactively to July 1, 2003.

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DIVISION II

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WORKFORCE DEVELOPMENT FIELD OFFICES

12

APPROPRIATIONS

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Sec. 6. NEW SECTION. 96.7A APPROPRIATIONS FOR WORKFORCE
14 DEVELOPMENT FIELD OFFICES.

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There is appropriated from the general fund of the state to
16 the department of workforce development for the fiscal period
17 beginning July 1, 2004, and ending June 30, 2007, the
18 following amounts, or so much thereof as is necessary, to be
19 used for the purposes designated:

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For workforce development field offices, including
21 salaries, support, maintenance, conducting labor market
22 surveys, and miscellaneous purposes:

23

1. FY 2004-2005..... \$ 6,525,000

24

2. FY 2005-2006..... \$ 6,525,000

25

3. FY 2006-2007..... \$ 3,262,500

26

Notwithstanding section 8.33, moneys that remain unexpended at
27 the end of the fiscal year shall not revert but shall remain
28 available for expenditure for the designated purposes during the
29 succeeding fiscal year.

30

Sec. 7. EFFECTIVE DATE. This division of this Act, being
31 deemed of immediate importance, takes effect upon enactment.

32

DIVISION III

33

WORKFORCE TRAINING AND ECONOMIC DEVELOPMENT FUNDS

34

Sec. 8. Section 260C.18A, subsection 2, unnumbered
35 paragraph 1, Code Supplement 2003, as amended by 2004 Iowa

1 Acts, Senate File 2298, section 370, is amended to read as
2 follows:

3 ~~On July 1 of each year for the fiscal year beginning July~~
4 ~~17, 2003, and for every fiscal year thereafter, moneys from the~~
5 ~~grow-Iowa-values fund created in section 156, 188 are~~
6 ~~appropriated to the department of economic development for~~
7 ~~deposit in the workforce training and economic development~~
8 ~~funds in amounts determined pursuant to subsection 4. Moneys~~
9 deposited in the funds and disbursed to community colleges for
10 a fiscal year shall be expended for the following purposes,
11 provided seventy percent of the moneys shall be used on
12 projects in the areas of advanced manufacturing, information
13 technology and insurance, and life sciences which include the
14 areas of biotechnology, health care technology, and nursing
15 care technology:

16 Sec. 9. Section 260C.18A, subsections 3, 4, and 7, Code
17 Supplement 2003, as amended by 2004 Iowa Acts, Senate File
18 2298, section 330, are amended by striking the subsections.

19 Sec. 10. Section 260C.18A, subsection 6, paragraph d, Code
20 Supplement 2003, is amended to read as follows:

21 d. Annually submit the two-year plan and progress report
22 to the department of economic development in a manner
23 prescribed by rules adopted by the department pursuant to
24 ~~chapter 17A and annually file a copy of the plan and progress~~
25 ~~report with the grow-Iowa-values board. For the fiscal year~~
26 ~~beginning July 17, 2004, and each fiscal year thereafter, a~~
27 ~~community college shall not have moneys deposited in the~~
28 ~~workforce training and economic development fund of that~~
29 ~~community college unless the grow-Iowa-values board approves~~
30 ~~the annual progress report of the community college.~~

31 Sec. 11. Section 260C.18A, subsection 8, as enacted by
32 2004 Iowa Acts, Senate File 2298, section 331, is amended by
33 striking the subsection.

34 Sec. 12. Section 260C.18A, Code Supplement 2003, is
35 amended by adding the following new subsection:

1 NEW SUBSECTION. 9. This section is repealed effective
2 June 30, 2010.

3 Sec. 13. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.
4 This division of this Act, being deemed of immediate
5 importance, takes effect upon enactment and applies
6 retroactively to June 30, 2004.

7 EXPLANATION

8 Division I -- This division validates contracts entered
9 into or projects or activities approved by the department of
10 economic development or the grow Iowa values board in reliance
11 on the validity of the law implementing the grow Iowa values
12 fund which was subsequently declared invalid by the Iowa
13 supreme court in the decision of Rants and Iverson v. Vilsack.

14 This division makes appropriations of federal funding
15 received by the state under the federal Jobs and Growth Tax
16 Relief Reconciliation Act of 2003. Appropriations are made
17 for fiscal year 2004-2005 to the department of economic
18 development for the following purposes: marketing strategies,
19 financial assistance and incentives to businesses, financial
20 assistance for institutions under the control of the state
21 board of regents and accredited private institutions,
22 workforce training and economic development funds of the
23 community colleges, endow Iowa grants and tax credits, and for
24 targeted state parks and destination parks; for deposit in the
25 loan and credit guarantee fund; and to the cash reserve fund.
26 The appropriations remaining unobligated or unexpended do not
27 revert at the close of the fiscal year but remain available
28 for the succeeding fiscal year.

29 The action by the state appeals board is validated that
30 approved payment of claims against the state for moneys
31 appropriated from the grow Iowa values fund and obligated
32 prior to the Iowa supreme court decision of Rants and Iverson
33 v. Vilsack that invalidated the grow Iowa values fund
34 appropriations.

35 The division of the 2003 session law invalidated by the

1 Iowa supreme court decision containing the grow Iowa values
2 fund appropriations is repealed.

3 The division takes effect upon enactment and is
4 retroactively applicable to July 1, 2003.

5 Division II -- This division appropriates state general
6 fund moneys for the fiscal period beginning July 1, 2004, and
7 ending June 30, 2007, for department of workforce development
8 field offices. These offices were to be funded by
9 administrative contribution surcharges to be collected in the
10 2004, 2005, and 2006 calendar years. The Iowa supreme court
11 decision making House File 692, dealing with the grow Iowa
12 values fund, invalid also made the surcharges for those three
13 calendar years invalid.

14 The division takes effect upon enactment.

15 Division III -- This division amends Code section 260C.18A
16 that establishes the workforce training and economic
17 development funds of community colleges to strike references
18 to the grow Iowa values fund and the multiyear appropriations
19 made from it.

20 The division takes effect upon enactment and applies
21 retroactively to July 1, 2004.

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Succeeded By
HF 2311

Senate Study Bill 3179

Bill Text

PAG LIN

1 1 DIVISION I
 1 2 APPROPRIATION RELATED
 1 3 Section 1. CONTRACT OR APPROVED PROJECT OR ACTIVITY
 1 4 VALIDATION. Any contract or approved project or activity
 1 5 originally funded or intended to be funded in whole or in part

1 6 with moneys from the grow Iowa values fund, and entered into
 1 7 or approved by the department of economic development or the
 1 8 grow Iowa values board after June 30, 2003, and before June
 1 9 16, 2004, in reliance on the publication of law implementing
 1 10 the grow Iowa values fund in the 2003 Code Supplement and 2003
 1 11 Iowa Acts, is valid and enforceable to the full extent of the
 1 12 law. The Iowa supreme court decision in Rants and Iverson v.
 1 13 Vilsack, No. 60/03=1948, June 16, 2004, and the provisions of
 1 14 this Act shall not in themselves constitute grounds for

1 15 rescission or modification of such contracts or approved
 1 16 projects or activities. This Act provides appropriations to
 1 17 fund these contracts or approved projects or activities.

1 18 Sec. 2. ECONOMIC DEVELOPMENT APPROPRIATIONS.

1 19 1. There is appropriated from the fund created in
 1 20 subsection 2, to the following designated entities and funds
 1 21 for the fiscal year beginning July 1, 2004, and ending June
 1 22 30, 2005, the following amounts, or so much thereof as is
 1 23 necessary, to be used for the purposes designated:

1 24 a. (1) To the department of economic development for
 1 25 marketing strategies for the state:
 1 26 \$ 6,782,949

1 27 (2) Of the amount appropriated in subparagraph (1),
 1 28 \$6,771,417 shall be expended pursuant to contracts or approved
 1 29 projects or activities validated in this division of this Act.

1 30 b. (1) To the department of economic development for
 1 31 financial assistance and incentives to businesses under
 1 32 programs currently existing which are administered by the

1 33 department:
 1 34 \$ 61,045,652

1 35 (2) Of the amount appropriated in subparagraph (1),
 2 1 \$36,915,343 shall be expended pursuant to contracts or
 2 2 approved projects or activities validated in this division of
 2 3 this Act.

2 4 (3) In addition to the amount appropriated in subparagraph
 2 5 (1), \$700,000 of any interest or earnings on moneys in the
 2 6 fund created in subsection 2 which are credited to the fund

2 7 shall be appropriated to the department for the purposes
 2 8 specified in subparagraph (1).

2 9 c. To the department of economic development for providing
 2 10 financial assistance for projects in targeted state parks and
 2 11 destination parks pursuant to contracts or approved projects
 2 12 or activities validated in this division of this Act:

2 13 \$ 475,806
2 14 d. (1) For deposit in the loan and credit guarantee fund
2 15 created in section 15E.227:

2 16 \$ 5,728,402
2 17 (2) Of the amount appropriated in subparagraph (1), \$1,785
2 18 shall be expended pursuant to contracts or approved projects
2 19 or activities validated in this division of this Act.

2 20 e. To the department of economic development for financial
2 21 assistance for institutions of higher learning under the
2 22 control of the board of regents and for accredited private
2 23 institutions pursuant to contracts or approved projects or
2 24 activities validated in this division of this Act:

2 25 \$ 10,058,162
2 26 f. (1) To the department of economic development for
2 27 deposit into the workforce training and economic development
2 28 funds of the community colleges pursuant to section 260C.18A:
2 29 \$ 3,848,668

2 30 (2) Of the amount appropriated in subparagraph (1),
2 31 \$742,608 shall be expended pursuant to contracts or approved
2 32 projects or activities validated in this division of this Act.

2 33 g. To the department of economic development for deposit

2 34 into the workforce training and economic development funds of
2 35 the community colleges created in section 260C.18A for
3 1 purposes of the job retention program pursuant to section
3 2 260F.9:

3 3 \$ 1,000,000

3 4 h. To the department of economic development for endow
3 5 Iowa grants to lead philanthropic entities pursuant to section
3 6 15E.304:

3 7 \$ 155,303

3 8 i. To the department of economic development for deposit
3 9 into the general fund of the state for lost revenue due to
3 10 endow Iowa tax credits granted pursuant to section 15E.305:
3 11 \$ 155,303

3 12 j. For deposit into the cash reserve fund to replace
3 13 claims paid from the general fund of the state by the state
3 14 appeal board as affirmed in section 3 of this division of this
3 15 Act:
3 16 \$ 10,749,754

3 17 2. A federal economic stimulus and jobs holding fund is
3 18 created in the state treasury under the control of the
3 19 department of management consisting of moneys received from
3 20 the federal government for state and local government fiscal
3 21 relief under the federal Jobs and Growth Tax Relief
3 22 Reconciliation Act of 2003. Notwithstanding section 12C.7,
3 23 interest or earnings on moneys in the fund shall be credited
3 24 to the fund. Moneys appropriated from the fund in this
3 25 section shall be expended as provided in the federal law

3 26 making the moneys available and in conformance with chapter
3 27 17A.

3 28 3. Notwithstanding section 8.33, moneys that remain
3 29 unexpended at the end of a fiscal year shall not revert to any
3 30 fund but shall remain available for expenditure for the
3 31 designated purposes during the succeeding fiscal year.

3 32 Sec. 3. PAYMENT OF CLAIMS. The general assembly affirms
 3 33 the action by the state appeal board on August 27, 2004,
 3 34 approving payment of claims against the state for moneys

3 35 appropriated from the grow Iowa values fund and obligated
 4 1 prior to the Iowa supreme court decision of Rants and Iverson
 4 2 v. Vilsack, No. 60/03=1948, June 16, 2004, that invalidated
 4 3 the proper enactment of the appropriations.

4 4 Sec. 4. REPEAL. 2003 Iowa Acts, First Extraordinary
 4 5 Session, chapter 2, sections 65 through 75, are repealed.

4 6 Sec. 5. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.
 4 7 This division of this Act, being deemed of immediate
 4 8 importance, takes effect upon enactment and applies

4 9 retroactively to July 1, 2003.

4 10 DIVISION II
 4 11 WORKFORCE DEVELOPMENT FIELD OFFICES
 4 12 APPROPRIATIONS

4 13 Sec. 6. NEW SECTION. 96.7A APPROPRIATIONS FOR WORKFORCE
 4 14 DEVELOPMENT FIELD OFFICES.

4 15 There is appropriated from the general fund of the state to
 4 16 the department of workforce development for the fiscal period

4 17 beginning July 1, 2004, and ending June 30, 2007, the
 4 18 following amounts, or so much thereof as is necessary, to be
 4 19 used for the purposes designated:

4 20 For workforce development field offices, including
 4 21 salaries, support, maintenance, conducting labor market
 4 22 surveys, and miscellaneous purposes:

4 23	1. FY 2004=2005.....	\$ 6,525,000
4 24	2. FY 2005=2006.....	\$ 6,525,000
4 25	3. FY 2006=2007.....	\$ 3,262,500

4 26 Notwithstanding section 8.33, moneys that remain unexpended at
 4 27 the end of the fiscal year shall not revert but shall remain
 4 28 available for expenditure for the designated purposes during the
 4 29 succeeding fiscal year.

4 30 Sec. 7. EFFECTIVE DATE. This division of this Act, being
 4 31 deemed of immediate importance, takes effect upon enactment.

4 32 DIVISION III
 4 33 WORKFORCE TRAINING AND ECONOMIC DEVELOPMENT FUNDS
 4 34 Sec. 8. Section 260C.18A, subsection 2, unnumbered

4 35 paragraph 1, Code Supplement 2003, as amended by 2004 Iowa
 5 1 Acts, Senate File 2298, section 370, is amended to read as
 5 2 follows:

~~5 3 On July 1 of each year for the fiscal year beginning July
 5 4 1, 2003, and for every fiscal year thereafter, moneys from the
 5 5 grow Iowa values fund created in section 150.1 are
 5 6 appropriated to the department of economic development for
 5 7 deposit in the workforce training and economic development~~

~~5 8 funds in amounts determined pursuant to subsection 4. Moneys
 5 9 deposited in the funds and disbursed to community colleges for
 5 10 a fiscal year shall be expended for the following purposes,
 5 11 provided seventy percent of the moneys shall be used on
 5 12 projects in the areas of advanced manufacturing, information
 5 13 technology and insurance, and life sciences which include the
 5 14 areas of biotechnology, health care technology, and nursing
 5 15 care technology;~~

5 16 Sec. 9. Section 260C.18A, subsections 3, 4, and 7, Code
 5 17 Supplement 2003, as amended by 2004 Iowa Acts, Senate File
 5 18 2298, section 330, are amended by striking the subsections.
 5 19 Sec. 10. Section 260C.18A, subsection 6, paragraph d, Code
 5 20 Supplement 2003, is amended to read as follows:

5 21 d. Annually submit the two-year plan and progress report
 5 22 to the department of economic development in a manner
 5 23 prescribed by rules adopted by the department pursuant to
 5 24 chapter 17A ~~and annually file a copy of the plan and progress~~

~~5 25 report with the grow Iowa values board. For the fiscal year~~
~~5 26 beginning July 1, 2004, and each fiscal year thereafter,~~
~~5 27 community colleges shall not have moneys deposited in the~~
~~5 28 workforce training and economic development fund of that~~
~~5 29 community college unless the grow Iowa values board approves~~
~~5 30 the annual progress report of the community college.~~

5 31 Sec. 11. Section 260C.18A, subsection 8, as enacted by

5 32 2004 Iowa Acts, Senate File 2298, section 331, is amended by
 5 33 striking the subsection.

5 34 Sec. 12. Section 260C.18A, Code Supplement 2003, is
 5 35 amended by adding the following new subsection:

6 1 NEW SUBSECTION. 9. This section is repealed effective
 6 2 June 30, 2010.

6 3 Sec. 13. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.
 6 4 This division of this Act, being deemed of immediate

6 5 importance, takes effect upon enactment and applies
 6 6 retroactively to June 30, 2004.

6 7 EXPLANATION

6 8 Division I == This division validates contracts entered
 6 9 into or projects or activities approved by the department of
 6 10 economic development or the grow Iowa values board in reliance
 6 11 on the validity of the law implementing the grow Iowa values
 6 12 fund which was subsequently declared invalid by the Iowa
 6 13 supreme court in the decision of Rants and Iverson v. Vilsack.

6 14 This division makes appropriations of federal funding
 6 15 received by the state under the federal Jobs and Growth Tax
 6 16 Relief Reconciliation Act of 2003. Appropriations are made
 6 17 for fiscal year 2004=2005 to the department of economic
 6 18 development for the following purposes: marketing strategies,
 6 19 financial assistance and incentives to businesses, financial
 6 20 assistance for institutions under the control of the state
 6 21 board of regents and accredited private institutions,
 6 22 workforce training and economic development funds of the

6 23 community colleges, endow Iowa grants and tax credits, and for
 6 24 targeted state parks and destination parks; for deposit in the
 6 25 loan and credit guarantee fund; and to the cash reserve fund.
 6 26 The appropriations remaining unobligated or unexpended do not
 6 27 revert at the close of the fiscal year but remain available
 6 28 for the succeeding fiscal year.

6 29 The action by the state appeals board is validated that
 6 30 approved payment of claims against the state for moneys
 6 31 appropriated from the grow Iowa values fund and obligated

6 32 prior to the Iowa supreme court decision of Rants and Iverson
 6 33 v. Vilsack that invalidated the grow Iowa values fund

6 34 appropriations.

6 35 The division of the 2003 session law invalidated by the
7 1 Iowa supreme court decision containing the grow Iowa values
7 2 fund appropriations is repealed.

7 3 The division takes effect upon enactment and is
7 4 retroactively applicable to July 1, 2003.

7 5 Division II == This division appropriates state general

7 6 fund moneys for the fiscal period beginning July 1, 2004, and
7 7 ending June 30, 2007, for department of workforce development
7 8 field offices. These offices were to be funded by
7 9 administrative contribution surcharges to be collected in the
7 10 2004, 2005, and 2006 calendar years. The Iowa supreme court
7 11 decision making House File 692, dealing with the grow Iowa
7 12 values fund, invalid also made the surcharges for those three
7 13 calendar years invalid.

7 14 The division takes effect upon enactment.

7 15 Division III == This division amends Code section 260C.18A
7 16 that establishes the workforce training and economic
7 17 development funds of community colleges to strike references
7 18 to the grow Iowa values fund and the multiyear appropriations
7 19 made from it.

7 20 The division takes effect upon enactment and applies
7 21 retroactively to July 1, 2004.

7 22 LSB 7152XC 80

7 23 mg/sh/8

SENATE FILE 2311

AN ACT

RELATING TO APPROPRIATIONS FOR ECONOMIC DEVELOPMENT PURPOSES, WORKFORCE DEVELOPMENT FIELD OFFICES, WORKFORCE TRAINING AND ECONOMIC DEVELOPMENT FUNDS OF COMMUNITY COLLEGES, AND INCLUDING EFFECTIVE DATE AND RETROACTIVE APPLICABILITY PROVISIONS.

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

DIVISION I

APPROPRIATION RELATED

Section 1. CONTRACT OR APPROVED PROJECT OR ACTIVITY VALIDATION. Any contract or approved project or activity originally funded or intended to be funded in whole or in part with moneys from the grow Iowa values fund, and entered into or approved by the department of economic development or the grow Iowa values board after June 30, 2003, and before June 16, 2004, in reliance on the publication of law implementing the grow Iowa values fund in the 2003 Code Supplement and 2003 Iowa Acts, is valid and enforceable to the full extent of the law. The Iowa supreme court decision in Rants and Iverson v. Vilsack, No. 60/03-1948, June 16, 2004, and the provisions of this Act shall not in themselves constitute grounds for rescission or modification of such contracts or approved projects or activities. This Act provides appropriations to fund these contracts or approved projects or activities.

Sec. 2. ECONOMIC DEVELOPMENT APPROPRIATIONS.

1. There is appropriated from the fund created in subsection 2, to the following designated entities and funds for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

- a. (1) To the department of economic development for marketing strategies for the state:
 - \$ 6,782,949
 - (2) Of the amount appropriated in subparagraph (1), \$6,771,417 shall be expended pursuant to contracts or approved projects or activities validated in this division of this Act.
- b. (1) To the department of economic development for financial assistance and incentives to businesses under programs currently existing which are administered by the department:
 - \$ 61,045,652
 - (2) Of the amount appropriated in subparagraph (1), \$36,915,343 shall be expended pursuant to contracts or approved projects or activities validated in this division of this Act.
 - (3) In addition to the amount appropriated in subparagraph (1), \$700,000 of any interest or earnings on moneys in the fund created in subsection 2 which are credited to the fund shall be appropriated to the department for the purposes specified in subparagraph (1).
- c. To the department of economic development for providing financial assistance for projects in targeted state parks and destination parks pursuant to contracts or approved projects or activities validated in this division of this Act:
 - \$ 475,806
- d. (1) For deposit in the loan and credit guarantee fund created in section 15E.227:
 - \$ 5,728,402
 - (2) Of the amount appropriated in subparagraph (1), \$1,785 shall be expended pursuant to contracts or approved projects or activities validated in this division of this Act.
- e. To the department of economic development for financial assistance for institutions of higher learning under the control of the board of regents and for accredited private institutions pursuant to contracts or approved projects or activities validated in this division of this Act:
 - \$ 10,058,162

f. (1) To the department of economic development for deposit into the workforce training and economic development funds of the community colleges pursuant to section 260C.18A:

..... \$ 3,848,668

(2) Of the amount appropriated in subparagraph (1), \$742,608 shall be expended pursuant to contracts or approved projects or activities validated in this division of this Act.

g. To the department of economic development for deposit into the workforce training and economic development funds of the community colleges created in section 260C.18A for purposes of the job retention program pursuant to section 260F.9:

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

h. To the department of economic development for endow Iowa grants to lead philanthropic entities pursuant to section 15E.304:

..... \$ 155,303

i. To the department of economic development for deposit into the general fund of the state for lost revenue due to endow Iowa tax credits granted pursuant to section 15E.305:

..... \$ 155,303

j. For deposit into the cash reserve fund to replace claims paid from the general fund of the state by the state appeal board as affirmed in section 3 of this division of this Act:

..... \$ 10,749,754

2. A federal economic stimulus and jobs holding fund is created in the state treasury under the control of the department of management consisting of moneys received from the federal government for state and local government fiscal relief under the federal Jobs and Growth Tax Relief Reconciliation Act of 2003. Notwithstanding section 12C.7, interest or earnings on moneys in the fund shall be credited to the fund. Moneys appropriated from the fund in this section shall be expended as provided in the federal law making the moneys available and in conformance with chapter 17A.

3. Notwithstanding section 8.33, moneys that remain unexpended at the end of a fiscal year shall not revert to any fund but shall remain available for expenditure for the designated purposes during the succeeding fiscal year.

Sec. 3. PAYMENT OF CLAIMS. The general assembly affirms the action by the state appeal board on August 27, 2004, approving payment of claims against the state for moneys appropriated from the grow Iowa values fund and obligated prior to the Iowa supreme court decision of Rants and Iverson v. Vilsack, No. 60/03-1948, June 16, 2004, that invalidated the proper enactment of the appropriations.

Sec. 4. REPEAL. 2003 Iowa Acts, First Extraordinary Session, chapter 2, sections 65 through 75, are repealed.

Sec. 5. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES. This division of this Act, being deemed of immediate importance, takes effect upon enactment and applies retroactively to July 1, 2003.

DIVISION II
WORKFORCE DEVELOPMENT FIELD OFFICES
APPROPRIATIONS

Sec. 6. NEW SECTION. 96.7A APPROPRIATIONS FOR WORKFORCE DEVELOPMENT FIELD OFFICES.

There is appropriated from the general fund of the state to the department of workforce development for the fiscal period beginning July 1, 2004, and ending June 30, 2007, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

For workforce development field offices, including salaries, support, maintenance, conducting labor market surveys, and miscellaneous purposes:

- 1. FY 2004-2005..... \$ 6,525,000
- 2. FY 2005-2006..... \$ 6,525,000
- 3. FY 2006-2007..... \$ 3,262,500

Notwithstanding section 8.33, moneys that remain unexpended at the end of the fiscal year shall not revert but shall remain available for expenditure for the designated purposes during the succeeding fiscal year.

Sec. 7. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION III

WORKFORCE TRAINING AND ECONOMIC DEVELOPMENT FUNDS

Sec. 8. Section 260C.18A, subsection 2, unnumbered paragraph 1, Code Supplement 2003, as amended by 2004 Iowa Acts, Senate File 2298, section 370, is amended to read as follows:

~~On July 1 of each year for the fiscal year beginning July 1, 2003, and for every fiscal year thereafter, moneys from the grow Iowa values fund created in section 156.100 are appropriated to the department of economic development for deposit in the workforce training and economic development funds in amounts determined pursuant to subsection 4. Moneys deposited in the funds and disbursed to community colleges for a fiscal year shall be expended for the following purposes, provided seventy percent of the moneys shall be used on projects in the areas of advanced manufacturing, information technology and insurance, and life sciences which include the areas of biotechnology, health care technology, and nursing care technology.~~

Sec. 9. Section 260C.18A, subsections 3, 4, and 7, Code Supplement 2003, as amended by 2004 Iowa Acts, Senate File 2298, section 330, are amended by striking the subsections.

Sec. 10. Section 260C.18A, subsection 6, paragraph d, Code Supplement 2003, is amended to read as follows:

d. Annually submit the two-year plan and progress report to the department of economic development in a manner prescribed by rules adopted by the department pursuant to chapter 17A ~~and annually file a copy of the plan and progress report with the grow Iowa values board. For the fiscal year beginning July 1, 2004, and each fiscal year thereafter, a community college shall not have moneys deposited in the workforce training and economic development fund of that community college unless the grow Iowa values board approves the annual progress report of the community college.~~

Sec. 11. Section 260C.18A, subsection 8, as enacted by

2004 Iowa Acts, Senate File 2298, section 331, is amended by striking the subsection.

Sec. 12. Section 260C.18A, Code Supplement 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 9. This section is repealed effective June 30, 2010.

Sec. 13. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES. This division of this Act, being deemed of immediate importance, takes effect upon enactment and applies retroactively to June 30, 2004.

JEFFREY M. LAMBERTI
President of the Senate

CHRISTOPHER C. RANTS
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2311, Eightieth General Assembly.

MICHAEL E. MARSHALL
Secretary of the Senate

Approved _____, 2004

THOMAS J. VILSACK
Governor