HOUSE FILE 2337 BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO LSB 5116HA) (SUCCESSOR TO LSB 5116HB)

A BILL FOR

| l An | Act relating to appropriations to the department of cultural |
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| 2 | affairs, the economic development authority, certain |
| 3 | board of regents institutions, the department of workforce |
| 4 | development, the Iowa finance authority, and the public |
| 5 | employment relations board, providing for other properly |
| 6 | related matters, including effective date and retroactive |
| 7 | and other applicability provisions. |
| 8 BE | IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA: |

1 DIVISION I FY 2012-2013 APPROPRIATIONS 2 Section 1. 2011 Iowa Acts, chapter 130, section 48, is 3 4 amended to read as follows: SEC. 48. DEPARTMENT OF CULTURAL AFFAIRS. There is 5 6 appropriated from the general fund of the state to the 7 department of cultural affairs for the fiscal year beginning 8 July 1, 2012, and ending June 30, 2013, the following amounts, 9 or so much thereof as is necessary, to be used for the purposes 10 designated: 1. ADMINISTRATION 11 12 For salaries, support, maintenance, miscellaneous purposes, 13 and for not more than the following full-time equivalent 14 positions for the department: 85,907 15\$ 16 171,813 17 FTEs 74.50 18 The department of cultural affairs shall coordinate 19 activities with the tourism office of the department of 20 economic development authority to promote attendance at the 21 state historical building and at this state's historic sites. 22 Full-time equivalent positions authorized under this 23 subsection shall be funded, in full or in part, using moneys 24 appropriated under this subsection and, subsections 3 through 25 7, and subsection 10. 2. COMMUNITY CULTURAL GRANTS 26 For planning and programming for the community cultural 27 28 grants program established under section 303.3: 29 \$ 86,045 30 172,090 3. HISTORICAL DIVISION 31 For the support of the historical division: 32 33 \$ 1,383,851 34 2,767,701 4. HISTORIC SITES 35

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1 For the administration and support of historic sites: 2 \$ 213,199 3 426,398 4 5. ARTS DIVISION 5 For the support of the arts division: 466,882 6 \$ 7 933,764 8 6. IOWA GREAT PLACES 9 For the Iowa great places program established under section 10 303.3C: 11 \$ 75,000 12 150,000 7. ARCHIVE IOWA GOVERNORS' RECORDS 13 14 For archiving the records of Iowa governors: 32,967 15 \$ 16 65,933 17 8. RECORDS CENTER RENT For payment of rent for the state records center: 18 19 \$ 113,622 20 227,243 21 9. BATTLE FLAGS 22 For continuation of the project recommended by the Iowa 23 battle flag advisory committee to stabilize the condition of 24 the battle flag collection: 25 \$ 30,000 26 60,000 27 10. FILM OFFICE For the support of the film office: 28 29 \$ 150,000 30 Sec. 2. BATTLE FLAG RESTORATION FUND. 31 1. A battle flag restoration fund is created and established 32 as a separate and distinct fund in the state treasury under 33 the control of the department of cultural affairs. The moneys 34 in the fund are appropriated to the department for purposes 35 of continuing the project recommended by the Iowa battle flag

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1 advisory committee to stabilize the condition of the battle
2 flag collection. Moneys in the fund shall not be subject to
3 appropriation for any other purpose by the general assembly,
4 but shall be used only for the purposes of the battle flag
5 restoration fund.

6 2. The battle flag restoration fund shall consist of any 7 moneys appropriated by the general assembly and any other 8 moneys available to and obtained or accepted by the department 9 for placement in the fund including any proceeds from insurance 10 settlements received by the state involving battle flags loaned 11 to other states or entities.

12 3. Notwithstanding section 12C.7, subsection 2, interest or 13 earnings on moneys in the fund shall be credited to the fund. 14 Sec. 3. 2011 Iowa Acts, chapter 130, section 49, subsection 15 1, is amended to read as follows:

16 1. For the fiscal year beginning July 1, 2012, the goals for 17 the department of economic development <u>authority</u> shall be to 18 expand and stimulate the state economy, increase the wealth of 19 Iowans, and increase the population of the state.

Sec. 4. 2011 Iowa Acts, chapter 130, section 49, subsection 21 2, unnumbered paragraph 1, is amended to read as follows: 22 To achieve the goals in subsection 1, the department of 23 economic development <u>authority</u> shall do all of the following 24 for the fiscal year beginning July 1, 2012:

25 Sec. 5. 2011 Iowa Acts, chapter 130, section 50, subsection 26 l, is amended to read as follows:

27 1. APPROPRIATION

There is appropriated from the general fund of the state to the department of economic development <u>authority</u> for the fiscal wear beginning July 1, 2012, and ending June 30, 2013, the following amounts, or so much thereof as is necessary, to be used for the purposes designated in subsection 2, and for not more than the following full-time equivalent positions:\$ 4,891,712 8,858,424

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..... FTEs 149.00 1 Of the moneys appropriated pursuant to this subsection, the 2 3 economic development authority shall not allocate more than 4 \$75,000 for the purchase of licensing related to a business 5 assistance website. Sec. 6. 2011 Iowa Acts, chapter 130, section 50, subsection 6 7 2, paragraphs b and c, are amended to read as follows: b. The full-time equivalent positions authorized under this 8 9 section shall be funded, in whole or in part, by the moneys 10 appropriated under subsection 1 or by other moneys received by 11 the department authority, including certain federal moneys. 12 c. For business development operations and programs, the 13 film office, international trade, export assistance, workforce 14 recruitment, and the partner state program. 15 Sec. 7. 2011 Iowa Acts, chapter 130, section 50, subsection 16 4, paragraph c, is amended to read as follows: c. A business that receives financial assistance from the 17 18 department authority from moneys appropriated in this section 19 shall only employ individuals legally authorized to work in 20 this state. In addition to all other applicable penalties 21 provided by current law, all or a portion of the assistance 22 received by a business which is found to knowingly employ 23 individuals not legally authorized to work in this state is 24 subject to recapture by the department. 25 Sec. 8. 2011 Iowa Acts, chapter 130, section 50, subsection 26 5, is amended to read as follows: 27 5. USES OF APPROPRIATIONS 28 a. From the moneys appropriated in this section, the 29 department authority may provide financial assistance in the 30 form of a grant to a community economic development entity for 31 conducting a local workforce recruitment effort designed to 32 recruit former citizens of the state and former students at 33 colleges and universities in the state to meet the needs of 34 local employers. 35 b. From the moneys appropriated in this section, the

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1 department authority may provide financial assistance to
2 early stage industry companies being established by women
3 entrepreneurs.

c. From the moneys appropriated in this section, the
5 department <u>authority</u> may provide financial assistance in
6 the form of grants, loans, or forgivable loans for advanced
7 research and commercialization projects involving value-added
8 agriculture, advanced technology, or biotechnology.

9 d. The department <u>authority</u> shall not use any moneys 10 appropriated in this section for purposes of providing 11 financial assistance for the Iowa green streets pilot 12 project or for any other program or project that involves the 13 installation of geothermal systems for melting snow and ice 14 from streets or sidewalks.

15 Sec. 9. 2011 Iowa Acts, chapter 130, section 50, subsection 16 7, is amended to read as follows:

17 7. IOWA COMMISSION ON VOLUNTEER SERVICE

For allocation to the Iowa commission on volunteer service 18 19 for the Iowa's promise and mentoring partnership programs, for 20 transfer to the Iowa state commission grant program, and for 21 not more than the following full-time equivalent positions: 89,067 22 \$ 23 178,133 24 7.00 FTEs 25 Of the moneys appropriated in this subsection, the 26 department authority shall allocate \$37,500 \$75,000 for 27 purposes of the Iowa state commission grant program and \$51,567

28 <u>\$103,133</u> for purposes of the Iowa's promise and mentoring 29 partnership programs.

Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

35 Sec. 10. 2011 Iowa Acts, chapter 130, section 51, is amended

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1 to read as follows:

2 SEC. 51. VISION IOWA PROGRAM — FTE AUTHORIZATION. For 3 purposes of administrative duties associated with the vision 4 Iowa program for the fiscal year beginning July 1, 2012, the 5 department of economic development <u>authority</u> is authorized an 6 additional 2.25 FTEs above those otherwise authorized in this 7 division of this Act.

8 Sec. 11. 2011 Iowa Acts, chapter 130, section 52, is amended 9 to read as follows:

10 SEC. 52. INSURANCE ECONOMIC DEVELOPMENT. From the moneys 11 collected by the division of insurance in excess of the 12 anticipated gross revenues under section 505.7, subsection 13 3, during the fiscal year beginning July 1, 2012, \$100,000 14 shall be transferred to the department of economic development 15 <u>authority</u> for insurance economic development and international 16 insurance economic development.

17 Sec. 12. 2011 Iowa Acts, chapter 130, section 53, is amended 18 to read as follows:

19 SEC. 53. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding 20 section 15E.120, subsection 5, there is appropriated from the 21 Iowa community development loan fund all moneys available 22 during the fiscal year beginning July 1, 2012, and ending June 23 30, 2013, to the department of economic development <u>authority</u> 24 for purposes of the community development program.

25 Sec. 13. 2011 Iowa Acts, chapter 130, section 54, is amended 26 to read as follows:

27 SEC. 54. WORKFORCE DEVELOPMENT FUND. There is appropriated 28 from the workforce development fund account created in section 29 15.342A to the workforce development fund created in section 30 15.343 for the fiscal year beginning July 1, 2012, and ending 31 June 30, 2013, the following amount, for purposes of the 32 workforce development fund:

 33
 \$ 2,000,000

 34
 4,000,000

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 Sec. 14. 2011 Iowa Acts, chapter 130, section 55, is amended

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1 to read as follows:

SEC. 55. WORKFORCE DEVELOPMENT ADMINISTRATION. 2 From 3 moneys appropriated or transferred to or receipts credited 4 to the workforce development fund created in section 15.343, 5 up to \$400,000 for the fiscal year beginning July 1, 2012, 6 and ending June 30, 2013, are appropriated to the department 7 of economic development authority for the administration of 8 workforce development activities including salaries, support, 9 maintenance, and miscellaneous purposes, and for not more than 10 the following full-time equivalent positions: 11 FTEs 4.00 12 Sec. 15. 2011 Iowa Acts, chapter 130, section 57, 13 subsections 1, 2, and 4, are amended to read as follows: 14 There is appropriated from the general fund of the state 1. 15 to Iowa state university of science and technology for the 16 fiscal year beginning July 1, 2012, and ending June 30, 2013, 17 the following amount, or so much thereof as is necessary, to 18 be used for small business development centers, the science 19 and technology research park, and the institute for physical 20 research and technology, and for not more than the following 21 full-time equivalent positions: 22\$ 1,212,151 23 843,832 24 56.63 FTES 25 22.73 26 2. Of the moneys appropriated in subsection 1, Iowa state 27 university of science and technology shall allocate at least 28 \$468,178 \$735,728 for purposes of funding small business 29 development centers. Iowa state university of science and 30 technology may allocate moneys appropriated in subsection 1 to 31 the various small business development centers in any manner 32 necessary to achieve the purposes of this subsection. 33 4. It is the intent of the general assembly that the 34 industrial incentive program focus on Iowa industrial 35 sectors and seek contributions and in-kind donations from

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l businesses, industrial foundations, and trade associations, 2 and that moneys for the institute for physical research and 3 technology industrial incentive program shall be allocated 4 only for projects which are matched by private sector moneys 5 for directed contract research or for nondirected research. 6 The match required of small businesses as defined in section 7 15.102, subsection 6 10, for directed contract research or for 8 nondirected research shall be \$1 for each \$3 of state funds. 9 The match required for other businesses for directed contract 10 research or for nondirected research shall be \$1 for each \$1 of 11 state funds. The match required of industrial foundations or 12 trade associations shall be \$1 for each \$1 of state funds. Iowa state university of science and technology shall 13 14 report annually to the joint appropriations subcommittee on 15 economic development and the legislative services agency the 16 total amount of private contributions, the proportion of 17 contributions from small businesses and other businesses, and 18 the proportion for directed contract research and nondirected 19 research of benefit to Iowa businesses and industrial sectors. 20 2011 Iowa Acts, chapter 130, section 59, Sec. 16. 21 subsections 1 and 2, are amended to read as follows: 22 There is appropriated from the general fund of the 1. 23 state to the university of northern Iowa for the fiscal year 24 beginning July 1, 2012, and ending June 30, 2013, the following 25 amount, or so much thereof as is necessary, to be used for the 26 metal casting institute, the MyEntreNet internet application, 27 and the institute of decision making, including salaries, 28 support, maintenance, miscellaneous purposes, and for not more 29 than the following full-time equivalent positions: 30 Ś 287,358 31 517,263 32 FTEs 6.75 33 5.55 34 2. Of the moneys appropriated pursuant to subsection 1, the 35 university of northern Iowa shall allocate at least \$58,820

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1 \$117,639 for purposes of support of entrepreneurs through the 2 university's regional business center. Sec. 17. 2011 Iowa Acts, chapter 130, section 61, 3 4 subsections 1 and 2, are amended to read as follows: DIVISION OF LABOR SERVICES 5 1. 6 a. For the division of labor services, including salaries, 7 support, maintenance, miscellaneous purposes, and for not more 8 than the following full-time equivalent positions: 9 \$ 1,747,720 10 3,495,440 11 FTEs 64.00 12 b. From the contractor registration fees, the division of 13 labor services shall reimburse the department of inspections 14 and appeals for all costs associated with hearings under 15 chapter 91C, relating to contractor registration. 2. DIVISION OF WORKERS' COMPENSATION 16 a. For the division of workers' compensation, including 17 18 salaries, support, maintenance, miscellaneous purposes, and for 19 not more than the following full-time equivalent positions: 20 Ś 1,474,522 21 2,949,044 22 FTEs 30.00 The division of workers' compensation shall charge a 23 b. 24 \$100 filing fee for workers' compensation cases. The filing 25 fee shall be paid by the petitioner of a claim. However, the 26 fee can be taxed as a cost and paid by the losing party, except 27 in cases where it would impose an undue hardship or be unjust 28 under the circumstances. The moneys generated by the filing 29 fee allowed under this subsection are appropriated to the 30 department of workforce development to be used for purposes of 31 administering the division of workers' compensation. 32 Sec. 18. 2011 Iowa Acts, chapter 130, section 61, subsection 33 4, is amended to read as follows: 34 4. OFFENDER REENTRY PROGRAM 35 a. For the development and administration of an offender

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1 reentry program to provide offenders with employment skills, 2 and for not more than the following full-time equivalent 3 positions: 4 Ś 142,232 5 284,464 6 3.00 FTEs 7 The department shall partner with the department of b. 8 corrections to provide staff within the correctional facilities 9 to improve offenders' abilities to find and retain productive 10 employment. 11 Sec. 19. 2011 Iowa Acts, chapter 130, section 63, subsection 12 1, is amended to read as follows: 1. There is appropriated from the special employment 13 14 security contingency fund to the department of workforce 15 development for the fiscal year beginning July 1, 2012, and 16 ending June 30, 2013, the following amount, or so much thereof 17 as is necessary, to be used for field offices: 18 \$ 608,542 19 1,217,084 20 2011 Iowa Acts, chapter 130, section 64, is amended Sec. 20. 21 to read as follows: SEC. 64. UNEMPLOYMENT COMPENSATION RESERVE FUND ----22 23 FIELD OFFICES. Notwithstanding section 96.9, subsection 8, 24 paragraph "e", there is appropriated from interest earned on 25 the unemployment compensation reserve fund to the department 26 of workforce development for the fiscal year beginning July 1, 27 2012, and ending June 30, 2013, the following amount or so much 28 thereof as is necessary, for the purposes designated: 29 For the operation of field offices: 30 Ś 1,200,000 31 500,000 32 Sec. 21. 2011 Iowa Acts, chapter 130, section 65, is amended 33 to read as follows: 34 SEC. 65. GENERAL FUND - EMPLOYEE MISCLASSIFICATION 35 PROGRAM. There is appropriated from the general fund of the

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1 state to the department of workforce development for the fiscal 2 year beginning July 1, 2012, and ending June 30, 2013, the 3 following amount, or so much thereof as is necessary, to be 4 used for the purposes designated: For enhancing efforts to investigate employers that 5 6 misclassify workers and for not more than the following 7 full-time equivalent positions: 8 \$ 225,729 9 451,458 10 FTES 8.10 Sec. 22. 2011 Iowa Acts, chapter 130, section 67, subsection 11 12 1, is amended to read as follows: There is appropriated from the general fund of the state 13 1. 14 to the Iowa finance authority for the fiscal year beginning 15 July 1, 2012, and ending June 30, 2013, the following amount, 16 or so much thereof as is necessary, to be used to provide 17 reimbursement for rent expenses to eligible persons under the 18 rent subsidy program: 329,000 19 Ś 20 658,000 21 Sec. 23. 2011 Iowa Acts, chapter 130, section 69, subsection 22 l, is amended to read as follows: There is appropriated from the general fund of the state 23 1. 24 to the public employment relations board for the fiscal year 25 beginning July 1, 2012, and ending June 30, 2013, the following 26 amount, or so much thereof as is necessary, for the purposes 27 designated: 28 For salaries, support, maintenance, miscellaneous purposes, 29 and for not more than the following full-time equivalent 30 positions: 31 528,936 Ś 32 1,148,426 33 FTEs 10.00 34 Sec. 24. REPEAL. 2011 Iowa Acts, chapter 130, section 58, 35 is repealed.

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1 DIVISION II 2 FILM OFFICE Sec. 25. Section 2.48, subsection 3, paragraph c, 3 4 subparagraph (5), Code 2011, is amended by striking the 5 subparagraph. Sec. 26. Section 15.119, subsection 2, paragraph b, Code 6 Supplement 2011, is amended by striking the paragraph. 7 Sec. 27. Section 303.1, subsection 4, Code 2011, is amended 8 9 by adding the following new paragraph: 10 NEW PARAGRAPH. e. Film office. 303.95 Film office establishment and 11 Sec. 28. NEW SECTION. 12 purpose. 13 The department shall establish and administer a film office. 14 The purpose of the film office is to assist legitimate film, 15 television, and video producers in the production of film, 16 television, and video projects in the state and to increase the 17 fiscal impact on the state's economy of film, television, and 18 video projects produced in the state. 19 Sec. 29. Section 422.7, subsection 52, Code Supplement 20 2011, is amended by striking the subsection. Section 422.33, subsections 23 and 24, Code 21 Sec. 30. 22 Supplement 2011, are amended by striking the subsections. 23 Section 422.35, subsection 23, Code Supplement Sec. 31. 24 2011, is amended by striking the subsection. 25 Sec. 32. Section 422.60, subsections 10 and 11, Code 26 Supplement 2011, are amended by striking the subsections. 27 Sec. 33. Section 533.329, subsection 2, paragraphs f and q, 28 Code Supplement 2011, are amended by striking the paragraphs. 29 Sec. 34. REPEAL. Sections 15.391, 15.392, 15.393, 422.11T, 30 422.11U, 432.12J, and 432.12K, Code and Code Supplement 2011, 31 are repealed. 32 Sec. 35. EFFECTIVE UPON ENACTMENT. This division of this 33 Act, being deemed of immediate importance, takes effect upon 34 enactment. Sec. 36. RETROACTIVE APPLICABILITY. This division of this 35

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1 Act applies retroactively to January 1, 2012, for tax years
2 beginning on or after that date.

3 Sec. 37. APPLICABILITY. This division of this Act does not 4 apply to contracts or agreements entered into on or before the 5 effective date of this Act.

6

EXPLANATION

7 This bill relates to appropriations and transfers from the 8 general fund of the state and other funds to the department 9 of cultural affairs, the economic development authority, 10 the university of northern Iowa, Iowa state university, 11 the department of workforce development, the Iowa finance 12 authority, and the public employment relations board for the 13 2012-2013 fiscal year. The bill is organized by divisions. FY 2012-2013 APPROPRIATIONS. The bill relates to the 14 15 establishment of a battle flag restoration fund. Monevs 16 in the fund are appropriated to the department of cultural 17 affairs for the purposes of continuing the project recommended 18 by the Iowa battle flag advisory committee to stabilize the 19 condition of the battle flag collection. The fund shall 20 consist of any moneys appropriated by the general assembly and 21 any other moneys available to or accepted by the department of 22 cultural affairs for the fund including proceeds from insurance 23 settlements received by the state involving battle flags loaned 24 to other states or entities.

The bill relates to transfers of moneys collected by the division of insurance in excess of the anticipated gross revenues to the economic development authority for purposes of insurance economic development and international insurance economic development.

The bill relates to moneys appropriated from the Iowa community development loan fund to the economic development authority for purposes of the community development program. The bill relates to moneys appropriated from the workforce development fund account to the workforce development fund. The bill provides that moneys appropriated or transferred

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to or receipts credited to the workforce development fund
 are appropriated to the economic development authority for
 administration of workforce development activities.

4 The bill relates to moneys appropriated from the special 5 employment security contingency fund to the department of 6 workforce development for field offices.

7 The bill relates to interest earned on the unemployment 8 compensation reserve fund appropriated to the department of 9 workforce development for the operation of field offices.

10 The bill relates to moneys appropriated to the department 11 of workforce development for an employee misclassification 12 program.

13 FILM OFFICE. The bill transfers the film office from the 14 economic development authority to the department of cultural 15 affairs. The bill also eliminates the film, television, and 16 video project promotion program including the related tax 17 credits and income exclusions. This division of the bill takes 18 effect upon enactment, applies retroactively to January 1, 19 2012, for tax years beginning on or after that date, and does 20 not apply to contracts or agreements entered into on or before 21 the effective date of the bill.

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