

Senate File 2317 - Introduced

SENATE FILE 2317
BY COMMITTEE ON ECONOMIC
GROWTH

(SUCCESSOR TO SSB 3052)

A BILL FOR

1 An Act relating to the jobs training and apprenticeship
2 programs and making appropriations.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 15.108, subsection 6, paragraph a, Code
2 2014, is amended to read as follows:

3 a. Coordinate and perform the duties specified under the
4 Iowa industrial new jobs training Act in chapter 260E, ~~the~~
5 ~~Iowa jobs training Act in chapter 260F, and the workforce~~
6 ~~development fund in section 15.341.~~

7 Sec. 2. NEW SECTION. **256.91 Workforce development fund**
8 **account.**

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

14 Sec. 3. NEW SECTION. **256.92 Workforce development fund.**

15 1. a. A workforce development fund is created as a
16 revolving fund in the state treasury under the control of the
17 department consisting of any moneys appropriated by the general
18 assembly for that purpose and any other moneys available to
19 and obtained or accepted by the department from the federal
20 government or private sources for placement in the fund. The
21 fund shall also include moneys appropriated to the fund from
22 the workforce development fund account established in section
23 256.91.

24 b. Notwithstanding section 8.33, moneys in the workforce
25 development fund at the end of each fiscal year shall not
26 revert to any other fund but shall remain in the workforce
27 development fund for expenditure for subsequent fiscal years.

28 2. The assets of the fund shall be used by the department
29 for the following programs and purposes:

30 a. Projects under chapter 260F.

31 b. Apprenticeship programs under chapter 260J.

32 3. Moneys in the workforce development fund shall be
33 allocated as follows:

34 a. Four million dollars shall be transferred and deposited
35 in the job training fund created in section 260F.6 to be used

1 for the purposes provided in chapter 260F.

2 *b.* Four million dollars shall be transferred and deposited
3 in the apprenticeship training program fund created in section
4 260J.3 to be used for the purposes provided in chapter 260J.

5 Sec. 4. Section 260C.18A, subsection 2, paragraph b, Code
6 2014, is amended to read as follows:

7 *b.* Projects in which an agreement between a community
8 college and a business meet all the requirements of the Iowa
9 jobs training Act under chapter 260F. ~~However, projects funded~~
10 ~~by moneys provided by a local workforce training and economic~~
11 ~~development fund of a community college are not subject to~~
12 ~~the maximum advance or award limitations contained in section~~
13 ~~260F.6, subsection 2, or the allocation limitations contained~~
14 ~~in section 260F.8, subsection 1.~~

15 Sec. 5. Section 260F.2, subsection 2, Code 2014, is amended
16 by striking the subsection.

17 Sec. 6. Section 260F.2, subsections 4, 5, 10, and 11, Code
18 2014, are amended to read as follows:

19 4. "*Date of commencement of the project*" means the date of
20 the preliminary signed agreement ~~or the date an application for~~
21 ~~assistance is received by the authority.~~

22 5. "*Eligible business*" or "*business*" means a business
23 training employees which is engaged in interstate or intrastate
24 commerce for the purpose of manufacturing, processing, or
25 assembling products, conducting research and development,
26 commercial construction, or providing services in interstate
27 commerce including electronic commerce, but excludes retail,
28 health, or professional services and which meets the other
29 criteria established by the ~~authority~~ department. "*Eligible*
30 *business*" does not include a business whose training costs can
31 be economically funded under chapter 260E, a business which
32 closes or substantially reduces its employment base in order
33 to relocate substantially the same operation to another area
34 of the state, or a business which is involved in a strike,
35 lockout, or other labor dispute in Iowa.

1 10. "Program services" includes but is not limited to the
2 following:

3 a. Training of employees.

4 b. Adult basic education and job-related instruction.

5 c. Vocational and skill-assessment services and testing.

6 d. Training facilities, equipment, materials, and supplies.

7 e. Administrative expenses for the jobs training program, in
8 an amount not to exceed five percent of the total project cost.

9 f. Subcontracted services with institutions governed by the
10 state board of regents, private colleges or universities, or
11 other federal, state, or local agencies.

12 g. Contracted or professional services.

13 11. "Project" means a training arrangement which is the
14 subject of an agreement entered into between the community
15 college and a business to provide program services. ~~"Project"~~
16 ~~also means an authority-sponsored training arrangement which~~
17 ~~is sponsored by the authority and administered under sections~~
18 ~~260F.6A and 260F.6B.~~

19 Sec. 7. Section 260F.2, Code 2014, is amended by adding the
20 following new subsection:

21 NEW SUBSECTION. 4A. "Department" means the department of
22 education.

23 Sec. 8. Section 260F.3, Code 2014, is amended by adding the
24 following new subsections:

25 NEW SUBSECTION. 4A. Type of training to be delivered.

26 NEW SUBSECTION. 4B. Amount of employer match.

27 Sec. 9. NEW SECTION. 260F.4 Financial assistance —
28 restrictions.

29 1. The maximum award of financial assistance for any one
30 project is fifty thousand dollars.

31 2. A business may be approved for multiple projects, but the
32 total financial assistance award to a business shall not exceed
33 one hundred thousand dollars within a three-year period.

34 3. An award of financial assistance does not include
35 reimbursement to the business for employee wages while the

1 employee is in training.

2 4. An award of financial assistance is based on the actual
3 cost of services.

4 5. A business's request for financial assistance shall be
5 commensurate with training needs.

6 6. Community colleges shall provide financial assistance to
7 a business on a reimbursement basis or by directly paying for
8 training expenses from an account administered by the community
9 college.

10 7. *a.* A business shall provide a cash match or in-kind
11 match in order to be eligible for financial assistance pursuant
12 to this section.

13 *b.* A business requesting financial assistance of less than
14 five thousand dollars for a program shall provide an in-kind
15 match.

16 *c.* A business requesting financial assistance of five
17 thousand dollars or more for a program shall provide cash to
18 pay at least twenty-five percent of the total project cost,
19 including training and administration costs.

20 *d.* An in-kind match includes employee wages paid by
21 the business during the training period, the value of
22 business-provided facilities and equipment used for training,
23 or the value of any other resource provided by the business to
24 facilitate the training program.

25 Sec. 10. NEW SECTION. 260F.5 Community college annual
26 report.

27 1. Each community college shall submit an annual report
28 to the department by September 1 documenting the job training
29 programs funded during the previous fiscal year.

30 2. The report shall address the performance metrics
31 established by the department for the job training program
32 pursuant to section 260F.8.

33 3. The report shall be submitted in a manner and form
34 prescribed by the department.

35 Sec. 11. Section 260F.6, subsection 1, Code 2014, is amended

1 to read as follows:

2 1. There is ~~established~~ created for the community colleges
3 a job training fund ~~in the economic development authority~~
4 ~~in the workforce development fund~~ to be administered by
5 the department. The job training fund consists of moneys
6 appropriated for the purposes of this chapter ~~plus the interest~~
7 ~~and principal from repayment of advances made to businesses~~
8 ~~for program costs, plus the repayments, including interest,~~
9 ~~of loans made from that retraining fund, and interest earned~~
10 ~~from moneys in the job training fund.~~ Moneys in the fund are
11 appropriated to the department for purposes of this chapter.

12 Sec. 12. Section 260F.6, subsections 2 and 3, Code 2014,
13 are amended by striking the subsections and inserting in lieu
14 thereof the following:

15 2. Moneys in the fund shall be allocated pursuant to the
16 formula established in 260C.18C. Any unexpended or unallocated
17 funds remaining in the job training fund allocated for purposes
18 of the business network training program authorized in section
19 260F.6A, Code 2014, as of June 30, 2014, shall be distributed
20 to the community colleges in the manner provided for in
21 subsection 2.

22 3. Notwithstanding section 8.33, moneys in the fund at
23 the close of the fiscal year shall not revert to the general
24 fund of the state but shall remain available for expenditure
25 for the purpose designated for subsequent fiscal years.
26 Notwithstanding section 12C.7, subsection 2, interest or
27 earnings on moneys in the fund shall be credited to the fund.

28 Sec. 13. Section 260F.7, Code 2014, is amended to read as
29 follows:

30 **260F.7 ~~Economic development authority~~ Department to**
31 **coordinate.**

32 ~~The economic development authority, in consultation with~~
33 ~~the department of education and the department of workforce~~
34 ~~development,~~ shall coordinate the jobs training program. A
35 ~~project shall not be funded under this chapter unless the~~

1 ~~economic development authority approves the project.~~ The
2 authority department shall adopt rules pursuant to chapter
3 17A governing the program's operation and eligibility for
4 participation in the program. The authority department shall
5 establish by rule criteria for determining what constitutes an
6 eligible business.

7 Sec. 14. Section 260F.8, Code 2014, is amended by striking
8 the section and inserting in lieu thereof the following:

9 **260F.8 Program assessment, development, and coordination.**

10 1. The department shall establish performance metrics for
11 the job training programs funded under this chapter and assess
12 program outcomes on an annual basis.

13 2. The department shall allocate ten percent of the moneys
14 in the job training fund created in section 260F.6 annually to
15 the community colleges pursuant to the formula established in
16 section 260C.18C for the following purposes:

17 a. Outreach to employers by community college business and
18 industry outreach staff.

19 b. Monitoring the performance of training agreements and
20 accountability measures.

21 c. Development of training project and program plans.

22 d. Business development activities.

23 Sec. 15. NEW SECTION. **260J.1 Title.**

24 This chapter shall be known and may be cited as the "*Iowa*
25 *Apprenticeship Act*".

26 Sec. 16. NEW SECTION. **260J.2 Definitions.**

27 For purposes of this chapter, unless the context otherwise
28 requires:

29 1. "*Apprentice*" means a person who is at least sixteen
30 years of age, except where a higher minimum age is required by
31 law, who is employed in an apprenticeable occupation, and is
32 registered in Iowa with the United States department of labor,
33 office of apprenticeship.

34 2. "*Apprenticeable occupation*" means an occupation approved
35 for apprenticeship by the United States department of labor,

1 office of apprenticeship.

2 3. "*Apprenticeship program*" means a program registered
3 with the United States department of labor, office of
4 apprenticeship, which includes terms and conditions for the
5 qualification, recruitment, selection, employment, and training
6 of apprentices, including the requirement for a written
7 apprenticeship agreement.

8 4. "*Apprenticeship sponsor*" means an entity operating
9 an apprenticeship program or an entity in whose name an
10 apprenticeship program is being operated, which is registered
11 with or approved by the United States department of labor,
12 office of apprenticeship.

13 5. "*Department*" means the department of education.

14 6. "*Financial assistance*" means assistance provided only
15 from the funds, rights, and assets legally available to the
16 department and includes but is not limited to assistance in the
17 forms of grants, loans, forgivable loans, and royalty payments.

18 7. "*Fund*" means the apprenticeship training program fund
19 created in section 260J.3.

20 8. "*Lead apprenticeship sponsor*" means a trade organization,
21 labor organization, employer association, or other incorporated
22 entity representing a group of apprenticeship sponsors.

23 Sec. 17. NEW SECTION. 260J.3 **Apprenticeship training**
24 **program — fund.**

25 1. The department shall establish and administer an
26 apprenticeship training program to provide funding to
27 apprenticeship programs in Iowa.

28 2. An apprenticeship training program fund is created in the
29 state treasury under the control of the department. The moneys
30 in the apprenticeship training program fund are appropriated to
31 the department for the apprenticeship training program from the
32 workforce development fund created in section 256.92.

33 3. Moneys in the fund are appropriated to the department for
34 purposes of providing financial assistance for apprenticeship
35 training pursuant to this chapter.

1 4. The department shall subcontract the statewide
2 administration of the apprenticeship program to a community
3 college in Iowa designated by the Iowa association of community
4 college presidents.

5 5. The community college designated pursuant to subsection
6 4 may annually expend not more than five percent of moneys in
7 the fund for administrative purposes.

8 6. Notwithstanding section 8.33, moneys in the fund at
9 the close of a fiscal year shall not revert to the general
10 fund of the state but shall remain available for expenditure
11 for the purposes designated for subsequent fiscal years.
12 Notwithstanding section 12C.7, subsection 2, interest or
13 earnings on moneys in the fund shall be credited to the fund.

14 Sec. 18. NEW SECTION. 260J.4 **Financial assistance for an**
15 **apprenticeship program.**

16 1. *a.* An apprenticeship sponsor or lead apprenticeship
17 sponsor conducting apprenticeship programs in Iowa for
18 apprentices who will be employed at Iowa worksites may apply to
19 the department for financial assistance under this section.

20 *b.* Financial assistance received by an apprenticeship
21 sponsor or lead apprenticeship sponsor under this section shall
22 be used only for the cost of conducting and maintaining an
23 apprenticeship program.

24 2. The department shall provide financial assistance to
25 apprenticeship sponsors or lead apprenticeship sponsors in the
26 following manner:

27 *a.* By determining the total amount of funding allocated for
28 purposes of apprenticeship programs pursuant to section 260J.3.

29 *b.* By adding together all of the following:

30 (1) The total number of apprentices trained by all applying
31 apprenticeship sponsors or lead apprenticeship sponsors during
32 the most recent training year as calculated on the last day of
33 the training year.

34 (2) The total number of contact hours that apprenticeship
35 instructors for all applying apprenticeship sponsors or lead

1 apprenticeship sponsors spent in contact with apprentices
2 during the most recent training year. For purposes of
3 this subparagraph, "contact hours" includes the time spent
4 instructing apprentices in person or, in the case of a lead
5 apprenticeship sponsor with programs totaling one hundred or
6 more total instructional hours, "contact hours" includes the
7 time spent in online training if the total amount of online
8 instruction does not account for more than thirty percent of
9 the total instructional hours.

10 c. By adding together all of the following:

11 (1) The total number of apprentices trained by a single
12 applying apprenticeship sponsor or lead apprenticeship sponsor
13 during the most recent training year as calculated on the last
14 day of the training year.

15 (2) The total number of contact hours that apprenticeship
16 instructors for a single applying apprenticeship sponsor or
17 lead apprenticeship sponsor spent in contact with apprentices
18 during the most recent training year. For purposes of
19 this subparagraph, "contact hours" includes the time spent
20 instructing apprentices in person or, in the case of a lead
21 apprenticeship sponsor with programs totaling one hundred or
22 more total instructional hours, "contact hours" includes the
23 time spent in online training if the total amount of online
24 instruction does not account for more than thirty percent of
25 the total instructional hours.

26 d. By determining the proportion, stated as a percentage,
27 that a single applying apprenticeship sponsor's or lead
28 apprenticeship sponsor's total calculated pursuant to paragraph
29 "c" bears to all applying apprenticeship sponsors' or lead
30 apprenticeship sponsors' total calculated pursuant to paragraph
31 "b".

32 e. By multiplying the percentage calculated in paragraph "d"
33 by the amount determined in paragraph "a".

34 3. An apprenticeship sponsor or lead apprenticeship sponsor
35 seeking financial assistance under this section shall provide

1 the following information to the department:

2 *a.* The federal apprentice registration number of each
3 apprentice in the apprenticeship program.

4 *b.* The address and a description of the physical location
5 where in-person training is conducted.

6 *c.* A certification of the apprenticeship sponsor's training
7 standards as most recently approved by the United States
8 department of labor, office of apprenticeship or, in the case
9 of a lead apprenticeship sponsor, a representative sample of
10 participating members' training standards.

11 *d.* A certification of the apprenticeship sponsor's
12 compliance review or quality assessment as most recently
13 conducted by the United States department of labor, office of
14 apprenticeship, unless the apprenticeship sponsor has not been
15 subjected to a compliance review or quality assessment. In the
16 case of a lead apprenticeship sponsor, a sampling of compliance
17 reviews or quality assessments from participating members shall
18 be sufficient.

19 *e.* Any other information the department reasonably
20 determines is necessary.

21 4. The apprenticeship sponsor or lead apprenticeship
22 sponsor and the department shall enter into an agreement
23 regarding the provision of any financial assistance to the
24 apprenticeship sponsor or lead apprenticeship sponsor.

25 5. Notwithstanding the provisions of this section, an
26 apprenticeship program receiving funds from section 260F.6 or
27 other community college funding sources in the fiscal year
28 beginning July 1, 2013, and ending June 30, 2014, shall receive
29 no less than that amount in the fiscal year beginning July 1,
30 2014, and ending June 30, 2015. The department shall develop
31 rules to administer this subsection.

32 Sec. 19. NEW SECTION. **260J.5 Apprenticeship advisory**
33 **council.**

34 The department shall establish and facilitate the Iowa
35 apprenticeship advisory council. The council shall advise

1 the department on issues related to apprenticeship programs
2 supported pursuant to this chapter and shall promote the
3 development of new and the expansion of existing apprenticeship
4 programs in Iowa. The council membership shall be appointed
5 by the department, division of community colleges, and shall
6 include but is not limited to the following:

7 1. Three members of labor organizations representing
8 apprenticeship programs.

9 2. Three members of business and construction trade
10 organizations representing apprenticeship programs.

11 3. One member representing Iowa's community colleges.

12 4. One member representing the department.

13 5. One member representing the United States department of
14 labor, office of apprenticeship.

15 Sec. 20. Section 403.21, subsections 1 and 3, Code 2014, are
16 amended to read as follows:

17 1. In order to promote communication and cooperation among
18 cities, counties, and community colleges with respect to the
19 allocation and division of taxes, no jobs training projects
20 as defined in chapter 260E or ~~260F~~ shall be undertaken within
21 the area of operation of a municipality after July 1, 1995,
22 unless the municipality and the community college have entered
23 into an agreement or have jointly adopted a plan relating
24 to a community college's new jobs training program which
25 shall provide for a procedure for advance notification to
26 each affected municipality, for exchange of information, for
27 mutual consultation, and for procedural guidelines for all
28 such new jobs training projects, including related project
29 financing to be undertaken within the area of operation of the
30 municipality. The joint agreement or the plan shall state its
31 precise duration and shall be binding on the community college
32 and the municipality with respect to all new jobs training
33 projects, including related project financing undertaken during
34 its existence. The joint agreement or plan shall be effective
35 upon adoption and shall be placed on file in the office of the

1 secretary of the board of directors of the community college
2 and such other location as may be stated in the joint agreement
3 or plan. The joint agreement or plan shall also be sent to each
4 school district which levied or certified for levy a property
5 tax on any portion of the taxable property located in the area
6 of operation of the municipality in the fiscal year beginning
7 prior to the calendar year in which the plan is adopted or
8 the agreement is reached. If no such agreement is reached or
9 plan adopted, the community college shall not use incremental
10 property tax revenues to fund jobs training projects within the
11 area of operation of the municipality. Agreements entered into
12 between a community college and a city or county pursuant to
13 chapter 28E shall not apply.

14 3. ~~The community college shall send a copy of the final~~
15 ~~agreement prepared pursuant to section 260F.3 to the economic~~
16 ~~development authority.~~ For each year in which incremental
17 property taxes are used to retire debt service on a jobs
18 training advance issued for a project creating new jobs, the
19 community college shall provide to the economic development
20 authority a report of the incremental property taxes and new
21 jobs credits from withholding generated for that year, a
22 specific description of the training conducted, the number of
23 employees provided ~~program~~ services under the project, the
24 median wage of employees in the new jobs in the project, and
25 the administrative costs directly attributable to the project.

26 Sec. 21. Section 422.16A, Code 2014, is amended to read as
27 follows:

28 **422.16A Job training withholding — certification and**
29 **transfer.**

30 Upon the completion by a business of its repayment
31 obligation for a training project funded under chapter
32 260E, including a job training project funded under section
33 15A.8 or repaid in whole or in part by the supplemental new
34 jobs credit from withholding under section 15A.7 or section
35 15E.197, the sponsoring community college shall report to

1 the economic development authority the amount of withholding
2 paid by the business to the community college during the
3 final twelve months of withholding payments. The economic
4 development authority shall notify the department of revenue
5 of that amount. The department shall credit to the workforce
6 development fund account established in section ~~15.342A~~ 256.91
7 twenty-five percent of that amount each quarter for a period
8 of ten years. If the amount of withholding from the business
9 or employer is insufficient, the department shall prorate the
10 quarterly amount credited to the workforce development fund
11 account. The maximum amount from all employers which shall be
12 transferred to the workforce development fund account in any
13 year is ~~four~~ eight million dollars.

14 Sec. 22. Section 558.1, Code 2014, is amended to read as
15 follows:

16 **558.1 "Instruments affecting real estate" defined —**
17 **revocation.**

18 All instruments containing a power to convey, or in any
19 manner relating to real estate, including certified copies of
20 petitions in bankruptcy with or without the schedules appended,
21 of decrees of adjudication in bankruptcy, and of orders
22 approving trustees' bonds in bankruptcy, and a jobs training
23 agreement entered into under chapter 260E ~~or 260F~~ between an
24 employer and community college which contains a description
25 of the real estate affected, shall be held to be instruments
26 affecting the same; and no such instrument, when acknowledged
27 or certified and recorded as in this chapter prescribed, can be
28 revoked as to third parties by any act of the parties by whom it
29 was executed, until the instrument containing such revocation
30 is acknowledged and filed for record in the same office in
31 which the instrument containing such power is recorded, except
32 that uniform commercial code financing statements and financing
33 statement changes as provided in chapter 554 need not be thus
34 acknowledged.

35 Sec. 23. REPEAL. Sections 15.341, 15.342, 15.342A, 15.343,

1 15.344, 260F.6A, and 260F.6B, Code 2014, are repealed.

2 Sec. 24. RULES. The department of education shall adopt
3 rules to administer this Act.

4 Sec. 25. TRANSFER OF FUNDS.

5 1. All moneys in section 15.342A as of the effective date of
6 this Act shall be transferred to the workforce development fund
7 account established in section 256.91, as enacted in this Act.

8 2. All moneys in section 15.343 as of the effective date of
9 this Act shall be transferred to the workforce development fund
10 created in section 256.92, as enacted in this Act.

11 Sec. 26. TRANSITION PROVISIONS.

12 1. A financial assistance award made or provided for in an
13 agreement entered into pursuant to section 260F.3 prior to the
14 effective date of this Act shall continue as provided in such
15 agreement.

16 2. Loan payments or repayments and recaptures of principal,
17 interest, or other moneys accruing on or after July 1, 2014,
18 pursuant to an agreement under section 260F.3, as in effect
19 prior to July 1, 2014, shall be transferred to the job training
20 fund created in section 260F.6, as amended by this Act.

21 EXPLANATION

22 The inclusion of this explanation does not constitute agreement with
23 the explanation's substance by the members of the general assembly.

24 This bill relates to changes to the job training program and
25 fund under Code chapter 260F and establishes an apprenticeship
26 program under new Code chapter 260J.

27 WORKFORCE DEVELOPMENT FUND. The bill amends the workforce
28 development fund account and the workforce development fund by
29 eliminating the funds as the funds exist under the economic
30 development authority ("authority") and transferring the moneys
31 remaining in the fund into the newly established workforce
32 development fund account and workforce development fund,
33 respectively, controlled by the department of education. The
34 job training withholding moneys currently transferred to the
35 workforce development account under the authority will be

1 transferred pursuant to the bill to the newly established
2 workforce development fund account under the department of
3 education. The bill also raises the cap on the withholding
4 amount to be transferred from \$4 million to \$8 million. The
5 moneys in the workforce development fund under the department
6 of education shall be used for purposes of funding projects
7 for jobs training under Code chapter 260F as amended by the
8 bill and for apprenticeship programs under new Code chapter
9 260J under the bill. Four million dollars is allocated to each
10 purpose and shall be transferred to the job training fund and
11 the apprenticeship training program fund.

12 The bill repeals provisions related to the workforce
13 development fund program operated by the authority.

14 JOBS TRAINING PROGRAM. The bill amends the jobs training
15 program and job training fund under Code chapter 260F.
16 Currently, a business and the community college enter into an
17 agreement to establish a project and the authority accepts
18 applications for assistance, sets the criteria for whether a
19 business is eligible for assistance under the program, and
20 coordinates the jobs training program. The bill amends these
21 provisions by no longer requiring the business to submit
22 an application to the authority, allowing the department
23 of education to set the criteria for whether a business is
24 eligible for assistance, and requiring the department of
25 education to coordinate the jobs training program.

26 The bill amends the job training fund by establishing
27 the fund under the state treasury rather than within the
28 workforce development fund and transferring the authority over
29 the fund from the authority to the department of education.
30 The bill provides that the moneys in the jobs training fund
31 are appropriated to and shall be allocated to community
32 colleges through a formula established in the chapter related
33 to community colleges. The bill also provides that moneys
34 remaining in the job training fund for the business network
35 training program shall be distributed through this same

1 formula.

2 The bill strikes the definition of "authority" and defines
3 "department" as the department of education in Code chapter
4 260F. The bill amends the definition of "eligible business"
5 in the Code chapter to include commercial construction or a
6 business providing services through electronic commerce in
7 interstate commerce.

8 The bill provides that the maximum financial assistance
9 under the jobs training program is \$50,000 for any one project
10 and \$100,000 for any business during a three-year period. The
11 bill also requires a business to provide a cash match or an
12 in-kind match to be eligible for financial assistance under the
13 jobs training program.

14 The bill requires each community college to submit an
15 annual report about the jobs training programs funded during
16 the previous fiscal year to the department of education by
17 September 1. The bill requires the department of education to
18 establish performance metrics for the jobs training programs
19 funded and assess the programs funded. The bill also requires
20 the department of education to allocate 10 percent annually of
21 the moneys in the job training fund to the community colleges
22 for outreach to employers, monitoring the training agreements,
23 development of training projects and program plans, and
24 business development activities.

25 The bill provides transition provisions stating that
26 financial assistance awards through the jobs training program
27 made or provided for under agreements between community
28 colleges and businesses entered into prior to July 1, 2014,
29 remain in effect. The bill also states that loan payments,
30 repayments, recaptures, and any other moneys accruing pursuant
31 to those agreements shall be transferred to the job training
32 fund, as amended by the bill.

33 APPRENTICESHIP TRAINING PROGRAM. The bill creates the
34 Iowa apprenticeship Act in Code chapter 260J. The chapter
35 provides definitions for "apprentice", "apprenticeable

1 occupation", "apprenticeship program", "apprenticeship
2 sponsor", "department", "financial assistance", "fund", and
3 "lead apprenticeship sponsor".

4 The bill requires the department of education to establish
5 and administer an apprenticeship training program to provide
6 funding to apprenticeship programs in Iowa. The bill also
7 establishes an apprenticeship training program fund under
8 the control of the department of education in the state
9 treasury for purposes of providing financial assistance for
10 apprenticeship training under the Code chapter. Moneys in
11 the fund are appropriated to the department for the program
12 from the workforce development fund created in Code section
13 256.92 pursuant to the bill. The bill requires the department
14 of education to subcontract the administration of the
15 apprenticeship program to a community college designated by the
16 Iowa association of community college presidents. The bill
17 allows the community college designated to expend not more than
18 5 percent of moneys in the apprenticeship training program fund
19 for administrative costs.

20 The bill provides that an apprenticeship sponsor or lead
21 apprenticeship sponsor may apply for financial assistance to
22 the department of education for conducting apprenticeship
23 programs in Iowa for apprentices who will work at Iowa
24 worksites.

25 The bill specifies that financial assistance is to be
26 allocated to apprenticeship sponsors or lead apprenticeship
27 sponsors by the ratio of the total number of apprentices
28 trained and number of contact hours of instruction for an
29 apprenticeship sponsor or lead apprenticeship sponsor divided
30 by the total number of apprentices trained and contact hours
31 of instruction for all the apprenticeship sponsors or lead
32 apprenticeship sponsors in the previous training year, then
33 multiplied by the moneys allocated for financial assistance to
34 apprenticeship sponsors.

35 The bill provides that in order to receive financial

1 assistance, the apprenticeship sponsor or lead apprenticeship
2 sponsor and the department must enter into an agreement.

3 The bill requires the department of education to establish
4 an apprenticeship advisory council to advise the department
5 on issues related to apprenticeship programs and promote the
6 development of new and the expansion of existing apprenticeship
7 programs in Iowa.

8 RULES AND REPEALS. The bill requires the department of
9 education to adopt rules to administer the bill.

10 The bill repeals Code sections relating to the business
11 network training and the high technology apprenticeship
12 program.