

Senate File 2353 - Introduced

SENATE FILE 2353

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SF 2317)

(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 six 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. Three 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.* Three 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 incurred by community colleges
8 for the jobs training program, in an amount not to exceed five
9 percent of the total project cost.

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

13 g. Contracted or professional services.

14 11. "Project" means a training arrangement which is the
15 subject of an agreement entered into between the community
16 college and a business to provide program services. ~~"Project"~~
17 ~~also means an authority-sponsored training arrangement which~~
18 ~~is sponsored by the authority and administered under sections~~
19 ~~260F.6A and 260F.6B.~~

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

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

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

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

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

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

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

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

35 3. An award of financial assistance does not include

1 reimbursement to the business for employee wages while the
2 employee is in training.

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

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

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

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

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

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

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

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

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

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

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

1 Sec. 11. Section 260F.6, subsection 1, Code 2014, is amended
2 to read as follows:

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

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

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

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

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

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

33 The ~~economic development authority, in consultation with~~
34 ~~the department of education and the department of workforce~~
35 ~~development,~~ shall coordinate the jobs training program. A

1 ~~project shall not be funded under this chapter unless the~~
2 ~~economic development authority approves the project.~~ The
3 authority department shall adopt rules pursuant to chapter
4 17A governing the program's operation and eligibility for
5 participation in the program. The authority department shall
6 establish by rule criteria for determining what constitutes an
7 eligible business.

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

10 **260F.8 Program assessment, development, and coordination.**

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

14 2. A community college may retain up to ten percent of the
15 total project cost for the following purposes:

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

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

20 c. Development of training project and program plans.

21 d. Business development activities.

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

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

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

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

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

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

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

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

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

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

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

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

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

24 1. An apprenticeship training program fund is created in the
25 state treasury under the control of the department.

26 2. The fund shall consist of moneys deposited in the fund
27 pursuant to section 256.92, moneys appropriated for purposes
28 of the apprenticeship training program, and any other moneys
29 lawfully available to the department for purposes of this
30 chapter.

31 3. Moneys in the fund are appropriated to the department for
32 the purposes of this chapter.

33 4. No more than two percent of the total moneys deposited
34 in the fund on July 1 of a fiscal year is appropriated to the
35 department for the purposes of administering this chapter.

1 5. Notwithstanding section 8.33, moneys in the fund at
2 the close of the fiscal year shall not revert but shall
3 remain available for expenditure for the purposes designated
4 for subsequent fiscal years. Notwithstanding section 12C.7,
5 subsection 2, interest or earnings on moneys in the fund shall
6 be credited to the fund.

7 Sec. 18. NEW SECTION. **260J.4 Financial assistance for an**
8 **apprenticeship program.**

9 1. *a.* An apprenticeship sponsor or lead apprenticeship
10 sponsor conducting apprenticeship programs in Iowa for
11 apprentices who will be employed at Iowa worksites may apply to
12 the department for a training grant or an infrastructure grant,
13 or both a training grant and an infrastructure grant under this
14 section.

15 *b.* Financial assistance received by an apprenticeship
16 sponsor or lead apprenticeship sponsor under this section shall
17 be used only for the cost of conducting and maintaining an
18 apprenticeship program.

19 2. The department shall provide financial assistance
20 in the form of training grants or infrastructure grants to
21 apprenticeship sponsors or lead apprenticeship sponsors in the
22 following manner:

23 *a.* By determining the total amount of funding allocated
24 for purposes of training grants or infrastructure grants for
25 apprenticeship programs pursuant to section 260J.3.

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

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

31 (2) The total number of contact hours that apprenticeship
32 instructors for all applying apprenticeship sponsors or lead
33 apprenticeship sponsors spent in contact with apprentices
34 during the most recent training year. For purposes of
35 this subparagraph, "contact hours" includes the time spent

1 instructing apprentices in person or, in the case of a lead
2 apprenticeship sponsor with programs totaling one hundred or
3 more total instructional hours, "*contact hours*" includes the
4 time spent in online training if the total amount of online
5 instruction does not account for more than thirty percent of
6 the total instructional hours.

7 *c.* By adding together all of the following:

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

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

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

29 *e.* By multiplying the percentage calculated in paragraph "*d*"
30 by the amount determined in paragraph "*a*".

31 3. An apprenticeship sponsor or lead apprenticeship sponsor
32 seeking financial assistance under this section shall provide
33 the following information to the department:

34 *a.* The federal apprentice registration number of each
35 apprentice in the apprenticeship program.

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

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

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

16 *e.* Any other information the department reasonably
17 determines is necessary.

18 4. The apprenticeship sponsor or lead apprenticeship
19 sponsor and the department shall enter into an agreement
20 regarding the provision of any financial assistance to the
21 apprenticeship sponsor or lead apprenticeship sponsor.

22 5. Notwithstanding the provisions of this section, an
23 apprenticeship program receiving funds from section 260F.6 or
24 other community college funding sources in the fiscal year
25 beginning July 1, 2013, and ending June 30, 2014, shall receive
26 no less than that amount from the fund in the fiscal year
27 beginning July 1, 2014, and ending June 30, 2015.

28 Sec. 19. NEW SECTION. **260J.5 Apprenticeship training**
29 **program advisory board.**

30 1. An apprenticeship training program advisory board is
31 established to advise the department on issues related to
32 apprenticeship programs supported pursuant to this chapter and
33 to promote the development of new and the expansion of existing
34 apprenticeship programs for apprentices who will be employed
35 at Iowa worksites.

- 1 2. The advisory board shall consist of the following
2 members:
- 3 *a.* One member of the master builders of Iowa.
4 *b.* One member of the associated builders and contractors of
5 Iowa.
6 *c.* One member of the technology association of Iowa.
7 *d.* One member of the Iowa association of business and
8 industry.
9 *e.* Five members, one member each from different labor
10 organizations that are apprenticeship sponsors or lead
11 apprenticeship sponsors. Five members representing
12 labor organizations shall serve at a time, but the labor
13 organizations represented shall rotate with every term.
14 *f.* One member from the Iowa federation of labor.
15 *g.* One member representing community college apprenticeship
16 programs.
17 *h.* One member representing the Iowa economic development
18 authority.
19 *i.* One member representing the department.
20 *j.* One member of the United States department of labor,
21 office of apprenticeship, serving as an ex-officio, nonvoting
22 member.
23 *k.* Four members of the general assembly serving as
24 ex officio, nonvoting members, one representative to be
25 appointed by the speaker of the house of representatives, one
26 representative to be appointed by the minority leader of the
27 house of representatives, one senator to be appointed by the
28 majority leader of the senate, and one senator to be appointed
29 by the minority leader of the senate.
30 3. *a.* The voting members of the advisory board and the
31 member from the United States department of labor, office
32 of apprenticeship, shall be selected by the named entity or
33 entities. The members from the labor organizations shall be
34 selected by the labor organization being represented. The
35 member representing the community college apprenticeship

1 programs shall be selected by the Iowa association of community
2 college trustees.

3 *b.* The voting members of the advisory board and the
4 member from the United States department of labor, office of
5 apprenticeship, shall serve three-year staggered terms. If
6 a vacancy occurs a successor shall be selected in the same
7 manner and subject to the same qualifications as the original
8 selection to serve the remainder of the term.

9 *c.* The legislative members of the advisory board shall serve
10 terms as provided in section 69.16B. A legislative member
11 may designate another person to attend a board meeting if the
12 member is unavailable.

13 4. The voting members shall elect a chairperson and
14 vice chairperson annually from the voting membership of the
15 advisory board. A majority of the voting members of the board
16 constitute a quorum. If the chairperson and vice chairperson
17 are unable to preside over the board due to absence or
18 disability, a majority of the voting members present may elect
19 a temporary chairperson providing a quorum is present.

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

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

1 precise duration and shall be binding on the community college
2 and the municipality with respect to all new jobs training
3 projects, including related project financing undertaken during
4 its existence. The joint agreement or plan shall be effective
5 upon adoption and shall be placed on file in the office of the
6 secretary of the board of directors of the community college
7 and such other location as may be stated in the joint agreement
8 or plan. The joint agreement or plan shall also be sent to each
9 school district which levied or certified for levy a property
10 tax on any portion of the taxable property located in the area
11 of operation of the municipality in the fiscal year beginning
12 prior to the calendar year in which the plan is adopted or
13 the agreement is reached. If no such agreement is reached or
14 plan adopted, the community college shall not use incremental
15 property tax revenues to fund jobs training projects within the
16 area of operation of the municipality. Agreements entered into
17 between a community college and a city or county pursuant to
18 chapter 28E shall not apply.

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

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

33 **422.16A Job training withholding — certification and**
34 **transfer.**

35 Upon the completion by a business of its repayment

1 obligation for a training project funded under chapter
2 260E, including a job training project funded under section
3 15A.8 or repaid in whole or in part by the supplemental new
4 jobs credit from withholding under section 15A.7 or section
5 15E.197, the sponsoring community college shall report to
6 the economic development authority the amount of withholding
7 paid by the business to the community college during the
8 final twelve months of withholding payments. The economic
9 development authority shall notify the department of revenue
10 of that amount. The department shall credit to the workforce
11 development fund account established in section ~~15.342A~~ 256.91
12 twenty-five percent of that amount each quarter for a period
13 of ten years. If the amount of withholding from the business
14 or employer is insufficient, the department shall prorate the
15 quarterly amount credited to the workforce development fund
16 account. The maximum amount from all employers which shall be
17 transferred to the workforce development fund account in any
18 year is ~~four~~ six million dollars.

19 Sec. 22. Section 558.1, Code 2014, is amended to read as
20 follows:

21 **558.1 "Instruments affecting real estate" defined —**
22 **revocation.**

23 All instruments containing a power to convey, or in any
24 manner relating to real estate, including certified copies of
25 petitions in bankruptcy with or without the schedules appended,
26 of decrees of adjudication in bankruptcy, and of orders
27 approving trustees' bonds in bankruptcy, and a jobs training
28 agreement entered into under chapter 260E ~~or 260F~~ between an
29 employer and community college which contains a description
30 of the real estate affected, shall be held to be instruments
31 affecting the same; and no such instrument, when acknowledged
32 or certified and recorded as in this chapter prescribed, can be
33 revoked as to third parties by any act of the parties by whom it
34 was executed, until the instrument containing such revocation
35 is acknowledged and filed for record in the same office in

1 which the instrument containing such power is recorded, except
2 that uniform commercial code financing statements and financing
3 statement changes as provided in chapter 554 need not be thus
4 acknowledged.

5 Sec. 23. REPEAL. Sections 15.341, 15.342, 15.342A, 15.343,
6 15.344, 260F.6A, and 260F.6B, Code 2014, are repealed.

7 Sec. 24. RULES. The department of education shall adopt
8 rules to administer this Act.

9 Sec. 25. TRANSFER OF FUNDS.

10 1. All moneys in the workforce development fund account,
11 established in section 15.342A, as of the effective date of
12 this Act and any moneys accruing to the workforce development
13 fund account, established in section 15.342A, after the
14 effective date of this Act, shall be transferred to the
15 workforce development fund account established in section
16 256.91, as enacted in this Act.

17 2. All moneys in the workforce development fund, created in
18 section 15.343, as of the effective date of this Act and any
19 moneys accruing to the workforce development fund, created in
20 section 15.343, after the effective date of this Act, shall be
21 transferred to the workforce development fund established in
22 section 256.92, as enacted in this Act.

23 Sec. 26. TRANSITION PROVISIONS.

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

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

33

EXPLANATION

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

1 This bill relates to changes to the job training program and
2 fund under Code chapter 260F and establishes an apprenticeship
3 program under new Code chapter 260J.

4 WORKFORCE DEVELOPMENT FUND. The bill amends the workforce
5 development fund account and the workforce development fund by
6 eliminating the funds as the funds exist under the economic
7 development authority ("authority") and transferring the moneys
8 remaining in the fund and moneys accruing to the fund after
9 the effective date of the bill into the newly established
10 workforce development fund account and workforce development
11 fund, respectively, controlled by the department of education.
12 The job training withholding moneys currently transferred to
13 the workforce development account under the authority will
14 be transferred pursuant to the bill to the newly established
15 workforce development fund account under the department of
16 education. The bill also raises the cap on the withholding
17 amount to be transferred from \$4 million to \$6 million. The
18 moneys in the workforce development fund under the department
19 of education shall be used for purposes of funding projects for
20 jobs training under Code chapter 260F as amended by the bill
21 and for apprenticeship programs under new Code chapter 260J
22 under the bill. Three million dollars is allocated to each
23 purpose and shall be transferred to the job training fund and
24 the apprenticeship training program fund.

25 The bill repeals provisions related to the workforce
26 development fund program operated by the authority.

27 JOBS TRAINING PROGRAM. The bill amends the jobs training
28 program and job training fund under Code chapter 260F.
29 Currently, a business and the community college enter into an
30 agreement to establish a project and the authority accepts
31 applications for assistance, sets the criteria for whether a
32 business is eligible for assistance under the program, and
33 coordinates the jobs training program. The bill amends these
34 provisions by no longer requiring the business to submit
35 an application to the authority, allowing the department

1 of education to set the criteria for whether a business is
2 eligible for assistance, and requiring the department of
3 education to coordinate the jobs training program.

4 The bill amends the job training fund by establishing
5 the fund under the state treasury rather than within the
6 workforce development fund and transferring the authority over
7 the fund from the authority to the department of education.
8 The bill provides that the moneys in the jobs training fund
9 are appropriated to and shall be allocated to community
10 colleges through a formula established in the chapter related
11 to community colleges. The bill also provides that moneys
12 remaining in the job training fund for the business network
13 training program shall be distributed through this same
14 formula.

15 The bill strikes the definition of "authority" and defines
16 "department" as the department of education in Code chapter
17 260F. The bill amends the definition of "eligible business"
18 in the Code chapter to include commercial construction or a
19 business providing services through electronic commerce in
20 interstate commerce.

21 The bill provides that the maximum financial assistance
22 under the jobs training program is \$50,000 for any one project
23 and \$100,000 for any business during a three-year period. The
24 bill also requires a business to provide a cash match or an
25 in-kind match to be eligible for financial assistance under the
26 jobs training program.

27 The bill requires each community college to submit an
28 annual report about the jobs training programs funded during
29 the previous fiscal year to the department of education by
30 September 1. The bill requires the department of education to
31 establish performance metrics for the jobs training programs
32 funded and assess the programs funded. The bill also allows
33 community colleges to retain up to 10 percent of the total cost
34 of a project for outreach to employers, monitoring the training
35 agreements, development of training projects and program plans,

1 and business development activities.

2 The bill provides transition provisions stating that
3 financial assistance awards through the jobs training program
4 made or provided for under agreements between community
5 colleges and businesses entered into prior to July 1, 2014,
6 remain in effect. The bill also states that loan payments,
7 repayments, recaptures, and any other moneys accruing pursuant
8 to those agreements shall be transferred to the job training
9 fund, as amended by the bill.

10 APPRENTICESHIP TRAINING PROGRAM. The bill creates the
11 Iowa apprenticeship Act in Code chapter 260J. The chapter
12 provides definitions for "apprentice", "apprenticeable
13 occupation", "apprenticeship program", "apprenticeship
14 sponsor", "department", "financial assistance", "fund", and
15 "lead apprenticeship sponsor".

16 The bill establishes an apprenticeship training program fund
17 under the control of the department of education in the state
18 treasury for purposes of providing financial assistance for
19 apprenticeship training under the Code chapter. Moneys in the
20 fund are appropriated to the department for the apprenticeship
21 training program. The bill limits the department of education
22 to 2 percent of the total moneys deposited in the fund for the
23 cost of administering the apprenticeship training program.

24 The bill provides that an apprenticeship sponsor or
25 lead apprenticeship sponsor may apply to the department
26 for financial assistance in the form of a training grant,
27 infrastructure training grant, or both a training grant and
28 infrastructure grant.

29 The bill specifies that financial assistance is to be
30 allocated to apprenticeship sponsors or lead apprenticeship
31 sponsors by the ratio of the total number of apprentices
32 trained and number of contact hours of instruction for an
33 apprenticeship sponsor or lead apprenticeship sponsor divided
34 by the total number of apprentices trained and contact hours
35 of instruction for all the apprenticeship sponsors or lead

1 apprenticeship sponsors in the previous training year, then
2 multiplied by the moneys allocated for financial assistance to
3 apprenticeship sponsors.

4 The bill provides that in order to receive financial
5 assistance, the apprenticeship sponsor or lead apprenticeship
6 sponsor and the department must enter into an agreement.

7 The bill establishes an apprenticeship training program
8 advisory board to advise the department on issues related to
9 apprenticeship programs and promote the development of new and
10 the expansion of existing apprenticeship programs in Iowa.

11 RULES AND REPEALS. The bill requires the department of
12 education to adopt rules to administer the bill.

13 The bill repeals Code sections relating to the business
14 network training and the high technology apprenticeship
15 program.