

Senate Study Bill 1281 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
APPROPRIATIONS BILL BY
SENATE APPROPRIATIONS
SUBCOMMITTEE ON ECONOMIC
DEVELOPMENT)

A BILL FOR

1 An Act making appropriations to the department of cultural
2 affairs, the economic development authority, the Iowa
3 finance authority, the public employment relations board,
4 the department of workforce development, and the state board
5 of regents and certain regents institutions, modifying the
6 redevelopment tax credit, and providing for other properly
7 related matters.

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

1 DIVISION I
2 FY 2015-2016

3 Section 1. DEPARTMENT OF CULTURAL AFFAIRS.

4 1. There is appropriated from the general fund of the state
5 to the department of cultural affairs for the fiscal year
6 beginning July 1, 2015, and ending June 30, 2016, the following
7 amounts, or so much thereof as is necessary, to be used for the
8 purposes designated:

9 a. ADMINISTRATION

10 For salaries, support, maintenance, and miscellaneous
11 purposes, and for not more than the following full-time
12 equivalent positions for the department:

13	\$	176,882
14	FTEs	74.50

15 The department of cultural affairs shall coordinate
16 activities with the tourism office of the economic development
17 authority to promote attendance at the state historical
18 building and at this state's historic sites.

19 Full-time equivalent positions authorized under this
20 paragraph are funded, in full or in part, using moneys
21 appropriated under this paragraph, paragraphs "c" through "g",
22 and paragraph "i".

23 b. COMMUNITY CULTURAL GRANTS

24 For planning and programming for the community cultural
25 grants program established under section 303.3:

26	\$	172,090
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27 c. HISTORICAL DIVISION

28 For the support of the historical division:

29	\$	3,167,701
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30 d. HISTORIC SITES

31 For the administration and support of historic sites:

32	\$	426,398
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33 e. ARTS DIVISION

34 For the support of the arts division:

35	\$	1,233,764
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1 Of the moneys appropriated in this paragraph, the department
2 shall allocate \$300,000 for purposes of the film office.

3 f. IOWA GREAT PLACES

4 For the Iowa great places program established under section
5 303.3C:

6 \$ 150,000

7 g. ARCHIVE IOWA GOVERNORS' RECORDS

8 For archiving the records of Iowa governors:

9 \$ 65,933

10 h. RECORDS CENTER RENT

11 For payment of rent for the state records center:

12 \$ 227,243

13 i. BATTLE FLAGS

14 For continuation of the project recommended by the Iowa
15 battle flag advisory committee to stabilize the condition of
16 the battle flag collection:

17 \$ 94,000

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

23 Sec. 2. GOALS AND ACCOUNTABILITY — ECONOMIC DEVELOPMENT.

24 1. For the fiscal year beginning July 1, 2015, the goals
25 for the economic development authority shall be to expand and
26 stimulate the state economy, increase the wealth of Iowans, and
27 increase the population of the state.

28 2. To achieve the goals in subsection 1, the economic
29 development authority shall do all of the following for the
30 fiscal year beginning July 1, 2015:

31 a. Concentrate its efforts on programs and activities that
32 result in commercially viable products and services.

33 b. Adopt practices and services consistent with free
34 market, private sector philosophies.

35 c. Ensure economic growth and development throughout the

1 state.

2 d. Work with businesses and communities to continually
3 improve the economic development climate along with the
4 economic well-being and quality of life for Iowans.

5 e. Coordinate with other state agencies to ensure that they
6 are attentive to the needs of an entrepreneurial culture.

7 f. Establish a strong and aggressive marketing image to
8 showcase Iowa's workforce, existing industry, and potential.
9 A priority shall be placed on recruiting new businesses,
10 business expansion, and retaining existing Iowa businesses.
11 Emphasis shall be placed on entrepreneurial development through
12 helping entrepreneurs secure capital, and developing networks
13 and a business climate conducive to entrepreneurs and small
14 businesses.

15 g. Encourage the development of communities and quality of
16 life to foster economic growth.

17 h. Prepare communities for future growth and development
18 through development, expansion, and modernization of
19 infrastructure.

20 i. Develop public-private partnerships with Iowa businesses
21 in the tourism industry, Iowa tour groups, Iowa tourism
22 organizations, and political subdivisions in this state to
23 assist in the development of advertising efforts.

24 j. Develop, to the fullest extent possible, cooperative
25 efforts for advertising with contributions from other sources.

26 Sec. 3. ECONOMIC DEVELOPMENT AUTHORITY.

27 1. APPROPRIATION

28 a. There is appropriated from the general fund of the state
29 to the economic development authority for the fiscal year
30 beginning July 1, 2015, and ending June 30, 2016, the following
31 amount, or so much thereof as is necessary, to be used for the
32 purposes designated in this subsection, and for not more than
33 the following full-time equivalent positions:

34	\$ 15,766,372
35	FTEs 149.00

1 b. (1) For salaries, support, miscellaneous purposes,
2 programs, marketing, and the maintenance of an administration
3 division, a business development division, a community
4 development division, a small business development division,
5 and other divisions the authority may organize.

6 (2) The full-time equivalent positions authorized under
7 this section are funded, in whole or in part, by the moneys
8 appropriated under this subsection or by other moneys received
9 by the authority, including certain federal moneys.

10 (3) For business development operations and programs,
11 international trade, export assistance, workforce recruitment,
12 and the partner state program.

13 (4) For transfer to a fund created pursuant to section
14 15.313 for purposes of financing strategic infrastructure
15 projects.

16 (5) For community economic development programs, tourism
17 operations, community assistance, plans for Iowa green corps
18 and summer youth programs, the mainstreet and rural mainstreet
19 programs, the school-to-career program, the community
20 development block grant, and housing and shelter-related
21 programs.

22 (6) For achieving the goals and accountability, and
23 fulfilling the requirements and duties required under this Act.

24 c. As a condition of receiving the appropriation under
25 this subsection, the authority shall transfer \$100,000 to the
26 department of transportation for deposit in the Iowa employment
27 rides fund created pursuant to section 324A.8 as enacted in
28 this Act.

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

34 2. FINANCIAL ASSISTANCE RESTRICTIONS

35 a. A business creating jobs through moneys appropriated in

1 subsection 1 shall be subject to contract provisions requiring
2 new and retained jobs to be filled by individuals who are
3 citizens of the United States who reside within the United
4 States or any person authorized to work in the United States
5 pursuant to federal law, including legal resident aliens in the
6 United States.

7 b. Any vendor who receives moneys appropriated in
8 subsection 1 shall adhere to such contract provisions and
9 provide periodic assurances as the state shall require that the
10 jobs are filled solely by citizens of the United States who
11 reside within the United States or any person authorized to
12 work in the United States pursuant to federal law, including
13 legal resident aliens in the United States.

14 c. A business that receives financial assistance from
15 the authority from moneys appropriated in subsection 1 shall
16 only employ individuals legally authorized to work in this
17 state. In addition to all other applicable penalties provided
18 by current law, all or a portion of the assistance received
19 by a business which is found to knowingly employ individuals
20 not legally authorized to work in this state is subject to
21 recapture by the authority.

22 3. USES OF APPROPRIATIONS

23 a. From the moneys appropriated in subsection 1, the
24 authority may provide financial assistance in the form of a
25 grant to a community economic development entity for conducting
26 a local workforce recruitment effort designed to recruit former
27 citizens of the state and former students at colleges and
28 universities in the state to meet the needs of local employers.

29 b. From the moneys appropriated in subsection 1, the
30 authority may provide financial assistance to early stage
31 industry companies being established by women entrepreneurs.

32 c. From the moneys appropriated in subsection 1, the
33 authority may provide financial assistance in the form of
34 grants, loans, or forgivable loans for advanced research and
35 commercialization projects involving value-added agriculture,

1 advanced technology, or biotechnology.

2 d. The authority shall not use any moneys appropriated in
3 subsection 1 for purposes of providing financial assistance for
4 the Iowa green streets pilot project or for any other program
5 or project that involves the installation of geothermal systems
6 for melting snow and ice from streets or sidewalks.

7 4. WORLD FOOD PRIZE

8 There is appropriated from the general fund of the state
9 to the economic development authority for the fiscal year
10 beginning July 1, 2015, and ending June 30, 2016, the following
11 amount for the world food prize and in lieu of the standing
12 appropriation in section 15.368, subsection 1:

13 \$ 800,000

14 5. IOWA COMMISSION ON VOLUNTEER SERVICE

15 There is appropriated from the general fund of the state
16 to the economic development authority for the fiscal year
17 beginning July 1, 2015, and ending June 30, 2016, the following
18 amount for allocation to the Iowa commission on volunteer
19 service for purposes of the Iowa state commission grant
20 program, the Iowa's promise and Iowa mentoring partnership
21 programs, and for not more than the following full-time
22 equivalent positions:

23 \$ 228,133

24 FTEs 7.00

25 Of the moneys appropriated in this subsection, the authority
26 shall allocate \$125,000 for purposes of the Iowa state
27 commission grant program and \$103,133 for purposes of the
28 Iowa's promise and Iowa mentoring partnership programs.

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

34 6. COUNCILS OF GOVERNMENTS — ASSISTANCE

35 There is appropriated from the general fund of the state

1 to the economic development authority for the fiscal year
2 beginning July 1, 2015, and ending June 30, 2016, the following
3 amount to be used for the purposes of providing financial
4 assistance to Iowa's councils of governments:

5 \$ 250,000

6 7. SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS
7 INTERNSHIPS

8 a. There is appropriated from the general fund of the state
9 to the Iowa economic development authority for the fiscal year
10 beginning July 1, 2015, and ending June 30, 2016, the following
11 amount, or so much thereof as is necessary, for the purposes
12 designated:

13 For the funding of internships for students studying in the
14 fields of science, technology, engineering, and mathematics
15 with eligible Iowa employers as provided in section 15.411,
16 subsection 3, paragraph "c":

17 \$ 1,000,000

18 b. No more than 3 percent of the moneys appropriated in this
19 subsection may be used by the authority for costs associated
20 with administration of the internship program.

21 c. Notwithstanding section 8.33, moneys appropriated in
22 this subsection which remain unencumbered or unobligated at
23 the end of the fiscal year shall not revert but shall remain
24 available for expenditure for the purposes designated in
25 subsequent fiscal years.

26 8. HOME BASE IOWA MARKETING

27 There is appropriated from the general fund of the state
28 to the economic development authority for the fiscal year
29 beginning July 1, 2015, and ending June 30, 2016, the following
30 amount to be used for the purposes of marketing to attract
31 veterans to the state:

32 \$ 500,000

33 Sec. 4. VISION IOWA PROGRAM — FTE AUTHORIZATION. For
34 purposes of administrative duties associated with the vision
35 Iowa program for the fiscal year beginning July 1, 2015, the

1 economic development authority is authorized an additional 2.25
2 FTEs above those otherwise authorized in this division of this
3 Act.

4 Sec. 5. INSURANCE ECONOMIC DEVELOPMENT. From the moneys
5 collected by the division of insurance in excess of the
6 anticipated gross revenues under section 505.7, subsection
7 3, during the fiscal year beginning July 1, 2015, \$200,000
8 shall be transferred to the economic development authority for
9 insurance economic development and international insurance
10 economic development.

11 Sec. 6. IOWA FINANCE AUTHORITY.

12 1. There is appropriated from the general fund of the state
13 to the Iowa finance authority for the fiscal year beginning
14 July 1, 2015, and ending June 30, 2016, the following amount,
15 or so much thereof as is necessary, to be used to provide
16 reimbursement for rent expenses to eligible persons under the
17 rent subsidy program:

18 \$ 658,000

19 2. Participation in the rent subsidy program shall be
20 limited to only those persons who meet the requirements for the
21 nursing facility level of care for home and community-based
22 services waiver services as in effect on July 1, 2015, and
23 to those individuals who are eligible for the federal money
24 follows the person grant program under the medical assistance
25 program. Of the moneys appropriated in this section, not more
26 than \$35,000 may be used for administrative costs.

27 Sec. 7. IOWA FINANCE AUTHORITY AUDIT. The auditor of state
28 is requested to review the audit of the Iowa finance authority
29 performed by the auditor hired by the authority.

30 Sec. 8. PUBLIC EMPLOYMENT RELATIONS BOARD.

31 1. There is appropriated from the general fund of the state
32 to the public employment relations board for the fiscal year
33 beginning July 1, 2015, and ending June 30, 2016, the following
34 amount, or so much thereof as is necessary, for the purposes
35 designated:

1 For salaries, support, maintenance, and miscellaneous
2 purposes, and for not more than the following full-time
3 equivalent positions:

4 \$ 1,342,452
5 FTEs 10.00

6 2. Of the moneys appropriated in this section, the board
7 shall allocate \$15,000 for maintaining an internet site that
8 allows searchable access to a database of collective bargaining
9 information.

10 Sec. 9. DEPARTMENT OF WORKFORCE DEVELOPMENT. There
11 is appropriated from the general fund of the state to the
12 department of workforce development for the fiscal year
13 beginning July 1, 2015, and ending June 30, 2016, the following
14 amounts, or so much thereof as is necessary, for the purposes
15 designated:

16 1. DIVISION OF LABOR SERVICES

17 a. For the division of labor services, including salaries,
18 support, maintenance, and miscellaneous purposes, and for not
19 more than the following full-time equivalent positions:

20 \$ 4,667,416
21 FTEs 68.00

22 b. From the contractor registration fees, the division of
23 labor services shall reimburse the department of inspections
24 and appeals for all costs associated with hearings under
25 chapter 91C, relating to contractor registration.

26 c. Of the moneys appropriated under this subsection, the
27 department shall allocate \$175,000 for the purpose of employing
28 additional investigators and support staff to investigate wage
29 enforcement.

30 2. DIVISION OF WORKERS' COMPENSATION

31 a. For the division of workers' compensation, including
32 salaries, support, maintenance, and miscellaneous purposes, and
33 for not more than the following full-time equivalent positions:

34 \$ 3,259,044
35 FTEs 30.00

1 b. The division of workers' compensation shall charge a
2 \$100 filing fee for workers' compensation cases. The filing
3 fee shall be paid by the petitioner of a claim. However, the
4 fee can be taxed as a cost and paid by the losing party, except
5 in cases where it would impose an undue hardship or be unjust
6 under the circumstances. The moneys generated by the filing
7 fee allowed under this subsection are appropriated to the
8 department of workforce development to be used for purposes of
9 administering the division of workers' compensation.

10 3. WORKFORCE DEVELOPMENT OPERATIONS

11 a. For the operation of field offices, the workforce
12 development board, and for not more than the following
13 full-time equivalent positions:

14 \$ 9,179,413
15 FTEs 130.00

16 b. Of the moneys appropriated in paragraph "a" of this
17 subsection, the department shall allocate \$150,000 to the state
18 library for the purpose of licensing an online resource which
19 prepares persons to succeed in the workplace through programs
20 which improve job skills and vocational test-taking abilities.

21 c. Of the moneys appropriated in paragraph "a" of this
22 subsection, the department shall allocate at least \$1,130,602
23 for the operation of the four satellite field offices located
24 in Decorah, Fort Madison, Iowa City, and Webster City.

25 4. OFFENDER REENTRY PROGRAM

26 a. For the development and administration of an offender
27 reentry program to provide offenders with employment skills,
28 and for not more than the following full-time equivalent
29 positions:

30 \$ 358,464
31 FTEs 4.00

32 b. The department of workforce development shall partner
33 with the department of corrections to provide staff within the
34 correctional facilities to improve offenders' abilities to find
35 and retain productive employment.

1 5. NONREVERSION

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

7 Sec. 10. GENERAL FUND — EMPLOYEE MISCLASSIFICATION

8 PROGRAM. There is appropriated from the general fund of the
9 state to the department of workforce development for the fiscal
10 year beginning July 1, 2015, and ending June 30, 2016, the
11 following amount, or so much thereof as is necessary, to be
12 used for the purposes designated:

13 For enhancing efforts to investigate employers that
14 misclassify workers and for not more than the following
15 full-time equivalent positions:

16	\$	451,458
17	FTEs	8.10

18 Sec. 11. SPECIAL EMPLOYMENT SECURITY CONTINGENCY FUND.

19 1. There is appropriated from the special employment
20 security contingency fund to the department of workforce
21 development for the fiscal year beginning July 1, 2015, and
22 ending June 30, 2016, the following amount, or so much thereof
23 as is necessary, to be used for field offices:

24	\$	1,766,084
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25 2. Any remaining additional penalty and interest revenue
26 collected by the department of workforce development is
27 appropriated to the department for the fiscal year beginning
28 July 1, 2015, and ending June 30, 2016, to accomplish the
29 mission of the department.

30 Sec. 12. UNEMPLOYMENT COMPENSATION RESERVE FUND —

31 FIELD OFFICES. Notwithstanding section 96.9, subsection 8,
32 paragraph "e", there is appropriated from interest earned on
33 the unemployment compensation reserve fund to the department
34 of workforce development for the fiscal year beginning July 1,
35 2015, and ending June 30, 2016, the following amount, or so

1 much thereof as is necessary, for the purposes designated:

2 For the operation of satellite field offices:

3 \$ 400,000

4 Sec. 13. VIRTUAL ACCESS WORKFORCE DEVELOPMENT OFFICES. The
5 department of workforce development shall require a unique
6 identification login for all users of workforce development
7 centers operated through electronic means.

8 Sec. 14. UNEMPLOYMENT COMPENSATION PROGRAM. Notwithstanding
9 section 96.9, subsection 4, paragraph "a", moneys credited to
10 the state by the secretary of the treasury of the United
11 States pursuant to section 903 of the Social Security
12 Act are appropriated to the department of workforce
13 development and shall be used by the department for the
14 administration of the unemployment compensation program only.
15 This appropriation shall not apply to any fiscal year
16 beginning after December 31, 2015.

17 Sec. 15. SMALL BUSINESS DEVELOPMENT CENTERS. There is
18 appropriated from the general fund of the state to Iowa state
19 university of science and technology for the fiscal year
20 beginning July 1, 2015, and ending June 30, 2016, the following
21 amount, or so much thereof as is necessary, to be used for the
22 purposes of funding small business development centers:

23 \$ 101,000

24 Sec. 16. IOWA SKILLED WORKER AND JOB CREATION FUND.

25 1. There is appropriated from the Iowa skilled worker and
26 job creation fund created in section 8.75 to the following
27 departments, agencies, and institutions for the fiscal year
28 beginning July 1, 2015, and ending June 30, 2016, the following
29 amounts, or so much thereof as is necessary, to be used for the
30 purposes designated:

31 a. ECONOMIC DEVELOPMENT AUTHORITY

32 (1) For the purposes of providing assistance under the high
33 quality jobs program as described in section 15.335B:

34 \$ 16,900,000

35 (2) From the moneys appropriated in this lettered paragraph

1 "a", the economic development authority may use not more than
2 \$1,000,000 for purposes of providing infrastructure grants to
3 mainstreet communities under the main street Iowa program.

4 (3) As a condition of receiving moneys appropriated in
5 this lettered paragraph "a", an entity shall testify upon the
6 request of the joint appropriations subcommittee on economic
7 development regarding the expenditure of such moneys.

8 b. STATE BOARD OF REGENTS AND REGENTS INSTITUTIONS

9 (1) STATE BOARD OF REGENTS. For capacity building
10 infrastructure in areas related to technology
11 commercialization, marketing and business development
12 efforts in areas related to technology commercialization,
13 entrepreneurship, and business growth, and infrastructure
14 projects and programs needed to assist in implementation of
15 activities under chapter 262B:

16 \$ 3,000,000

17 Of the moneys appropriated pursuant to this subparagraph
18 (1), 35 percent shall be allocated for Iowa state university
19 of science and technology, 35 percent shall be allocated for
20 the university of Iowa, and 30 percent shall be allocated for
21 the university of northern Iowa.

22 (a) The institutions shall provide a one-to-one match
23 of additional moneys for the activities funded with moneys
24 appropriated under this subparagraph (1).

25 (b) The state board of regents shall annually submit a
26 report by January 15 to the governor, the general assembly,
27 and the legislative services agency regarding the activities,
28 projects, and programs funded with moneys appropriated under
29 this subparagraph (1). The report shall be provided in an
30 electronic format and shall include a list of metrics and
31 criteria mutually agreed to in advance by the board of regents
32 and the economic development authority. The metrics and
33 criteria shall allow the governor's office and the general
34 assembly to quantify and evaluate the progress of the board of
35 regents institutions with regard to their activities, projects,

1 and programs in the areas of technology commercialization,
2 entrepreneurship, regional development, and market research.

3 (2) IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY. For
4 small business development centers, the science and technology
5 research park, and the center for industrial research and
6 service, and for not more than the following full-time
7 equivalent positions:

8	\$	2,424,302
9	FTEs	56.63

10 (a) Of the moneys appropriated in this subparagraph (2),
11 Iowa state university of science and technology shall allocate
12 at least \$735,728 for purposes of funding small business
13 development centers. Iowa state university of science and
14 technology may allocate the appropriated moneys to the various
15 small business development centers in any manner necessary to
16 achieve the purposes of this subparagraph.

17 (b) Iowa state university of science and technology shall
18 do all of the following:

19 (i) Direct expenditures for research toward projects that
20 will provide economic stimulus for Iowa.

21 (ii) Provide emphasis to providing services to Iowa-based
22 companies.

23 (c) It is the intent of the general assembly that the
24 industrial incentive program focus on Iowa industrial sectors
25 and seek contributions and in-kind donations from businesses,
26 industrial foundations, and trade associations, and that moneys
27 for the center for industrial research and service industrial
28 incentive program shall be allocated only for projects which
29 are matched by private sector moneys for directed contract
30 research or for nondirected research. The match required of
31 small businesses as defined in section 15.102, subsection 10,
32 for directed contract research or for nondirected research
33 shall be \$1 for each \$3 of state funds. The match required
34 for other businesses for directed contract research or
35 for nondirected research shall be \$1 for each \$1 of state

1 funds. The match required of industrial foundations or trade
2 associations shall be \$1 for each \$1 of state funds.

3 Iowa state university of science and technology shall
4 report annually to the joint appropriations subcommittee on
5 economic development and the legislative services agency the
6 total amount of private contributions, the proportion of
7 contributions from small businesses and other businesses, and
8 the proportion for directed contract research and nondirected
9 research of benefit to Iowa businesses and industrial sectors.

10 (3) STATE UNIVERSITY OF IOWA. For the state university
11 of Iowa research park and for the advanced drug development
12 program at the Oakdale research park, including salaries,
13 support, maintenance, equipment, and miscellaneous purposes,
14 and for not more than the following full-time equivalent
15 positions:

16	\$	209,279
17	FTEs	6.00

18 The state university of Iowa shall do all of the following:

19 (a) Direct expenditures for research toward projects that
20 will provide economic stimulus for Iowa.

21 (b) Provide emphasis to providing services to Iowa-based
22 companies.

23 (4) STATE UNIVERSITY OF IOWA. For the purpose of
24 implementing the entrepreneurship and economic growth
25 initiative, and for not more than the following full-time
26 equivalent positions:

27	\$	2,000,000
28	FTEs	9.75

29 (5) UNIVERSITY OF NORTHERN IOWA. For the metal casting
30 institute, the MyEntreNet internet application, and the
31 institute of decision making, including salaries, support,
32 maintenance, and miscellaneous purposes, and for not more than
33 the following full-time equivalent positions:

34	\$	1,066,419
35	FTEs	7.72

1 (a) Of the moneys appropriated pursuant to this
2 subparagraph (5), the university of northern Iowa shall
3 allocate at least \$617,639 for purposes of support of
4 entrepreneurs through the university's regional business center
5 and economic gardening program.

6 (b) The university of northern Iowa shall do all of the
7 following:

8 (i) Direct expenditures for research toward projects that
9 will provide economic stimulus for Iowa.

10 (ii) Provide emphasis to providing services to Iowa-based
11 companies.

12 (6) As a condition of receiving moneys appropriated in
13 this lettered paragraph "b", an entity shall testify upon the
14 request of the joint appropriations subcommittee on economic
15 development regarding the expenditure of such moneys.

16 c. DEPARTMENT OF WORKFORCE DEVELOPMENT

17 To develop a long-term sustained program to train unemployed
18 and underemployed central Iowans with skills necessary to
19 advance to higher-paying jobs with full benefits:

20 \$ 100,000

21 (1) The department of workforce development shall begin
22 a request for proposals process, issued for purposes of this
23 lettered paragraph "c", no later than September 1, 2015.

24 (2) As a condition of receiving moneys appropriated under
25 this lettered paragraph "c", an entity shall testify upon the
26 request of the joint appropriations subcommittee on economic
27 development regarding the expenditure of such moneys.

28 2. Notwithstanding section 8.33, moneys appropriated
29 in this section of this Act that remain unencumbered or
30 unobligated at the close of the fiscal year shall not revert
31 but shall remain available for expenditure for the purposes
32 designated until the close of the succeeding fiscal year.

33 Sec. 17. IOWA PRODUCTS. As a condition of receiving an
34 appropriation, any agency appropriated moneys pursuant to
35 this division of this Act shall give first preference when

1 purchasing a product to an Iowa product or a product produced
2 from an Iowa-based business. Second preference shall be
3 given to a United States product or a product produced from a
4 business based in the United States.

5 Sec. 18. PERSONNEL SETTLEMENT AGREEMENT PAYMENTS. As
6 a condition made to any appropriation to the department of
7 cultural affairs, the economic development authority, the Iowa
8 finance authority, the public employment relations board,
9 the department of workforce development, the state board of
10 regents, Iowa state university of science and technology, the
11 state university of Iowa, or the university of northern Iowa as
12 provided in this division of this Act, moneys appropriated and
13 any other moneys available for use by that entity under this
14 division of this Act shall not be used for the payment of a
15 personnel settlement agreement between that entity and a state
16 employee that contains a confidentiality provision intended to
17 prevent public disclosure of the agreement or any terms of the
18 agreement.

19 DIVISION II
20 FY 2016-2017

21 Sec. 19. DEPARTMENT OF CULTURAL AFFAIRS.

22 1. There is appropriated from the general fund of the state
23 to the department of cultural affairs for the fiscal year
24 beginning July 1, 2016, and ending June 30, 2017, the following
25 amounts, or so much thereof as is necessary, to be used for the
26 purposes designated:

27 a. ADMINISTRATION

28 For salaries, support, maintenance, and miscellaneous
29 purposes, and for not more than the following full-time
30 equivalent positions for the department:

31	\$	88,441
32	FTEs	74.50

33 The department of cultural affairs shall coordinate
34 activities with the tourism office of the economic development
35 authority to promote attendance at the state historical

1 building and at this state's historic sites.

2 Full-time equivalent positions authorized under this
3 paragraph are funded, in full or in part, using moneys
4 appropriated under this paragraph, paragraphs "c" through "g",
5 and paragraph "i".

6 b. COMMUNITY CULTURAL GRANTS

7 For planning and programming for the community cultural
8 grants program established under section 303.3:

9 \$ 86,045

10 c. HISTORICAL DIVISION

11 For the support of the historical division:

12 \$ 1,583,851

13 d. HISTORIC SITES

14 For the administration and support of historic sites:

15 \$ 213,199

16 e. ARTS DIVISION

17 For the support of the arts division:

18 \$ 616,882

19 Of the moneys appropriated in this paragraph, the department
20 shall allocate \$300,000 for purposes of the film office.

21 f. IOWA GREAT PLACES

22 For the Iowa great places program established under section
23 303.3C:

24 \$ 75,000

25 g. ARCHIVE IOWA GOVERNORS' RECORDS

26 For archiving the records of Iowa governors:

27 \$ 32,967

28 h. RECORDS CENTER RENT

29 For payment of rent for the state records center:

30 \$ 113,622

31 i. BATTLE FLAGS

32 For continuation of the project recommended by the Iowa
33 battle flag advisory committee to stabilize the condition of
34 the battle flag collection:

35 \$ 47,000

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

6 Sec. 20. GOALS AND ACCOUNTABILITY — ECONOMIC DEVELOPMENT.

7 1. For the fiscal year beginning July 1, 2016, the goals
8 for the economic development authority shall be to expand and
9 stimulate the state economy, increase the wealth of Iowans, and
10 increase the population of the state.

11 2. To achieve the goals in subsection 1, the economic
12 development authority shall do all of the following for the
13 fiscal year beginning July 1, 2016:

14 a. Concentrate its efforts on programs and activities that
15 result in commercially viable products and services.

16 b. Adopt practices and services consistent with free
17 market, private sector philosophies.

18 c. Ensure economic growth and development throughout the
19 state.

20 d. Work with businesses and communities to continually
21 improve the economic development climate along with the
22 economic well-being and quality of life for Iowans.

23 e. Coordinate with other state agencies to ensure that they
24 are attentive to the needs of an entrepreneurial culture.

25 f. Establish a strong and aggressive marketing image to
26 showcase Iowa's workforce, existing industry, and potential.

27 A priority shall be placed on recruiting new businesses,
28 business expansion, and retaining existing Iowa businesses.
29 Emphasis shall be placed on entrepreneurial development through
30 helping entrepreneurs secure capital, and developing networks
31 and a business climate conducive to entrepreneurs and small
32 businesses.

33 g. Encourage the development of communities and quality of
34 life to foster economic growth.

35 h. Prepare communities for future growth and development

1 through development, expansion, and modernization of
2 infrastructure.

3 i. Develop public-private partnerships with Iowa businesses
4 in the tourism industry, Iowa tour groups, Iowa tourism
5 organizations, and political subdivisions in this state to
6 assist in the development of advertising efforts.

7 j. Develop, to the fullest extent possible, cooperative
8 efforts for advertising with contributions from other sources.

9 Sec. 21. ECONOMIC DEVELOPMENT AUTHORITY.

10 1. APPROPRIATION

11 a. There is appropriated from the general fund of the state
12 to the economic development authority for the fiscal year
13 beginning July 1, 2016, and ending June 30, 2017, the following
14 amount, or so much thereof as is necessary, to be used for the
15 purposes designated in this subsection, and for not more than
16 the following full-time equivalent positions:

17	\$	7,883,186
18	FTEs	149.00

19 b. (1) For salaries, support, miscellaneous purposes,
20 programs, marketing, and the maintenance of an administration
21 division, a business development division, a community
22 development division, a small business development division,
23 and other divisions the authority may organize.

24 (2) The full-time equivalent positions authorized under
25 this section are funded, in whole or in part, by the moneys
26 appropriated under this subsection or by other moneys received
27 by the authority, including certain federal moneys.

28 (3) For business development operations and programs,
29 international trade, export assistance, workforce recruitment,
30 and the partner state program.

31 (4) For transfer to a fund created pursuant to section
32 15.313 for purposes of financing strategic infrastructure
33 projects.

34 (5) For community economic development programs, tourism
35 operations, community assistance, plans for Iowa green corps

1 and summer youth programs, the mainstreet and rural mainstreet
2 programs, the school-to-career program, the community
3 development block grant, and housing and shelter-related
4 programs.

5 (6) For achieving the goals and accountability, and
6 fulfilling the requirements and duties required under this Act.

7 c. As a condition of receiving the appropriation under
8 this subsection, the authority shall transfer \$100,000 to the
9 department of transportation for deposit in the Iowa employment
10 rides fund created pursuant to section 324A.8 as enacted in
11 this Act.

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

17 2. FINANCIAL ASSISTANCE RESTRICTIONS

18 a. A business creating jobs through moneys appropriated in
19 subsection 1 shall be subject to contract provisions requiring
20 new and retained jobs to be filled by individuals who are
21 citizens of the United States who reside within the United
22 States or any person authorized to work in the United States
23 pursuant to federal law, including legal resident aliens in the
24 United States.

25 b. Any vendor who receives moneys appropriated in
26 subsection 1 shall adhere to such contract provisions and
27 provide periodic assurances as the state shall require that the
28 jobs are filled solely by citizens of the United States who
29 reside within the United States or any person authorized to
30 work in the United States pursuant to federal law, including
31 legal resident aliens in the United States.

32 c. A business that receives financial assistance from
33 the authority from moneys appropriated in subsection 1 shall
34 only employ individuals legally authorized to work in this
35 state. In addition to all other applicable penalties provided

1 by current law, all or a portion of the assistance received
2 by a business which is found to knowingly employ individuals
3 not legally authorized to work in this state is subject to
4 recapture by the authority.

5 3. USES OF APPROPRIATIONS

6 a. From the moneys appropriated in subsection 1, the
7 authority may provide financial assistance in the form of a
8 grant to a community economic development entity for conducting
9 a local workforce recruitment effort designed to recruit former
10 citizens of the state and former students at colleges and
11 universities in the state to meet the needs of local employers.

12 b. From the moneys appropriated in subsection 1, the
13 authority may provide financial assistance to early stage
14 industry companies being established by women entrepreneurs.

15 c. From the moneys appropriated in subsection 1, the
16 authority may provide financial assistance in the form of
17 grants, loans, or forgivable loans for advanced research and
18 commercialization projects involving value-added agriculture,
19 advanced technology, or biotechnology.

20 d. The authority shall not use any moneys appropriated in
21 subsection 1 for purposes of providing financial assistance for
22 the Iowa green streets pilot project or for any other program
23 or project that involves the installation of geothermal systems
24 for melting snow and ice from streets or sidewalks.

25 4. WORLD FOOD PRIZE

26 There is appropriated from the general fund of the state
27 to the economic development authority for the fiscal year
28 beginning July 1, 2016, and ending June 30, 2017, the following
29 amount for the world food prize and in lieu of the standing
30 appropriation in section 15.368, subsection 1:

31 \$ 400,000

32 5. IOWA COMMISSION ON VOLUNTEER SERVICE

33 There is appropriated from the general fund of the state
34 to the economic development authority for the fiscal year
35 beginning July 1, 2016, and ending June 30, 2017, the following

1 amount for allocation to the Iowa commission on volunteer
2 service for purposes of the Iowa state commission grant
3 program, the Iowa's promise and Iowa mentoring partnership
4 programs, and for not more than the following full-time
5 equivalent positions:

6	\$	114,067
7	FTEs	7.00

8 Of the moneys appropriated in this subsection, the
9 authority shall allocate \$62,500 for purposes of the Iowa state
10 commission grant program and \$51,567 for purposes of the Iowa's
11 promise and Iowa mentoring partnership programs.

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

17 6. COUNCILS OF GOVERNMENTS — ASSISTANCE

18 There is appropriated from the general fund of the state
19 to the economic development authority for the fiscal year
20 beginning July 1, 2016, and ending June 30, 2017, the following
21 amount to be used for the purposes of providing financial
22 assistance to Iowa's councils of governments:

23	\$	125,000
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24 7. SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS
25 INTERNSHIPS

26 a. There is appropriated from the general fund of the state
27 to the Iowa economic development authority for the fiscal year
28 beginning July 1, 2016, and ending June 30, 2017, the following
29 amount, or so much thereof as is necessary, for the purposes
30 designated:

31 For the funding of internships for students studying in the
32 fields of science, technology, engineering, and mathematics
33 with eligible Iowa employers as provided in section 15.411,
34 subsection 3, paragraph "c":

35	\$	500,000
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1 b. No more than 3 percent of the moneys appropriated in this
2 subsection may be used by the authority for costs associated
3 with administration of the internship program.

4 c. Notwithstanding section 8.33, moneys appropriated in
5 this subsection which remain unencumbered or unobligated at
6 the end of the fiscal year shall not revert but shall remain
7 available for expenditure for the purposes designated in
8 subsequent fiscal years.

9 8. HOME BASE IOWA MARKETING

10 There is appropriated from the general fund of the state
11 to the economic development authority for the fiscal year
12 beginning July 1, 2016, and ending June 30, 2017, the following
13 amount to be used for the purposes of marketing to attract
14 veterans to the state:

15 \$ 250,000

16 Sec. 22. VISION IOWA PROGRAM — FTE AUTHORIZATION. For
17 purposes of administrative duties associated with the vision
18 Iowa program for the fiscal year beginning July 1, 2016, the
19 economic development authority is authorized an additional 2.25
20 FTEs above those otherwise authorized in this division of this
21 Act.

22 Sec. 23. INSURANCE ECONOMIC DEVELOPMENT. From the moneys
23 collected by the division of insurance in excess of the
24 anticipated gross revenues under section 505.7, subsection
25 3, during the fiscal year beginning July 1, 2016, \$100,000
26 shall be transferred to the economic development authority for
27 insurance economic development and international insurance
28 economic development.

29 Sec. 24. IOWA FINANCE AUTHORITY.

30 1. There is appropriated from the general fund of the state
31 to the Iowa finance authority for the fiscal year beginning
32 July 1, 2016, and ending June 30, 2017, the following amount,
33 or so much thereof as is necessary, to be used to provide
34 reimbursement for rent expenses to eligible persons under the
35 rent subsidy program:

1 \$ 329,000

2 2. Participation in the rent subsidy program shall be
3 limited to only those persons who meet the requirements for the
4 nursing facility level of care for home and community-based
5 services waiver services as in effect on July 1, 2016, and
6 to those individuals who are eligible for the federal money
7 follows the person grant program under the medical assistance
8 program. Of the moneys appropriated in this section, not more
9 than \$35,000 may be used for administrative costs.

10 Sec. 25. IOWA FINANCE AUTHORITY AUDIT. The auditor of state
11 is requested to review the audit of the Iowa finance authority
12 performed by the auditor hired by the authority.

13 Sec. 26. PUBLIC EMPLOYMENT RELATIONS BOARD.

14 1. There is appropriated from the general fund of the state
15 to the public employment relations board for the fiscal year
16 beginning July 1, 2016, and ending June 30, 2017, the following
17 amount, or so much thereof as is necessary, for the purposes
18 designated:

19 For salaries, support, maintenance, and miscellaneous
20 purposes, and for not more than the following full-time
21 equivalent positions:

22 \$ 671,226
23 FTEs 10.00

24 2. Of the moneys appropriated in this section, the board
25 shall allocate \$15,000 for maintaining an internet site that
26 allows searchable access to a database of collective bargaining
27 information.

28 Sec. 27. DEPARTMENT OF WORKFORCE DEVELOPMENT. There
29 is appropriated from the general fund of the state to the
30 department of workforce development for the fiscal year
31 beginning July 1, 2016, and ending June 30, 2017, the following
32 amounts, or so much thereof as is necessary, for the purposes
33 designated:

34 1. DIVISION OF LABOR SERVICES

35 a. For the division of labor services, including salaries,

1 support, maintenance, and miscellaneous purposes, and for not
2 more than the following full-time equivalent positions:

3 \$ 2,333,708
4 FTEs 68.00

5 b. From the contractor registration fees, the division of
6 labor services shall reimburse the department of inspections
7 and appeals for all costs associated with hearings under
8 chapter 91C, relating to contractor registration.

9 2. DIVISION OF WORKERS' COMPENSATION

10 a. For the division of workers' compensation, including
11 salaries, support, maintenance, and miscellaneous purposes, and
12 for not more than the following full-time equivalent positions:

13 \$ 1,629,522
14 FTEs 30.00

15 b. The division of workers' compensation shall charge a
16 \$100 filing fee for workers' compensation cases. The filing
17 fee shall be paid by the petitioner of a claim. However, the
18 fee can be taxed as a cost and paid by the losing party, except
19 in cases where it would impose an undue hardship or be unjust
20 under the circumstances. The moneys generated by the filing
21 fee allowed under this subsection are appropriated to the
22 department of workforce development to be used for purposes of
23 administering the division of workers' compensation.

24 3. WORKFORCE DEVELOPMENT OPERATIONS

25 a. For the operation of field offices, the workforce
26 development board, and for not more than the following
27 full-time equivalent positions:

28 \$ 4,589,707
29 FTEs 130.00

30 b. Of the moneys appropriated in paragraph "a" of this
31 subsection, the department shall allocate \$150,000 to the state
32 library for the purpose of licensing an online resource which
33 prepares persons to succeed in the workplace through programs
34 which improve job skills and vocational test-taking abilities.

35 c. Of the moneys appropriated in paragraph "a" of this

1 subsection, the department shall allocate at least \$1,130,602
2 for the operation of the four satellite field offices located
3 in Decorah, Fort Madison, Iowa City, and Webster City.

4 4. OFFENDER REENTRY PROGRAM

5 a. For the development and administration of an offender
6 reentry program to provide offenders with employment skills,
7 and for not more than the following full-time equivalent
8 positions:

9	\$	179,232
10	FTEs	4.00

11 b. The department of workforce development shall partner
12 with the department of corrections to provide staff within the
13 correctional facilities to improve offenders' abilities to find
14 and retain productive employment.

15 5. NONREVERSION

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

21 Sec. 28. GENERAL FUND — EMPLOYEE MISCLASSIFICATION
22 PROGRAM. There is appropriated from the general fund of the
23 state to the department of workforce development for the fiscal
24 year beginning July 1, 2016, and ending June 30, 2017, the
25 following amount, or so much thereof as is necessary, to be
26 used for the purposes designated:

27 For enhancing efforts to investigate employers that
28 misclassify workers and for not more than the following
29 full-time equivalent positions:

30	\$	225,729
31	FTEs	8.10

32 Sec. 29. SPECIAL EMPLOYMENT SECURITY CONTINGENCY FUND.

33 1. There is appropriated from the special employment
34 security contingency fund to the department of workforce
35 development for the fiscal year beginning July 1, 2016, and

1 ending June 30, 2017, the following amount, or so much thereof
2 as is necessary, to be used for field offices:

3 \$ 883,042

4 2. Any remaining additional penalty and interest revenue
5 collected by the department of workforce development is
6 appropriated to the department for the fiscal year beginning
7 July 1, 2016, and ending June 30, 2017, to accomplish the
8 mission of the department.

9 Sec. 30. UNEMPLOYMENT COMPENSATION RESERVE FUND —
10 FIELD OFFICES. Notwithstanding section 96.9, subsection 8,
11 paragraph "e", there is appropriated from interest earned on
12 the unemployment compensation reserve fund to the department
13 of workforce development for the fiscal year beginning July 1,
14 2016, and ending June 30, 2017, the following amount, or so
15 much thereof as is necessary, for the purposes designated:

16 For the operation of satellite field offices:
17 \$ 200,000

18 Sec. 31. VIRTUAL ACCESS WORKFORCE DEVELOPMENT OFFICES. The
19 department of workforce development shall require a unique
20 identification login for all users of workforce development
21 centers operated through electronic means.

22 Sec. 32. UNEMPLOYMENT COMPENSATION PROGRAM. Notwithstanding
23 section 96.9, subsection 4, paragraph "a", moneys credited to
24 the state by the secretary of the treasury of the United
25 States pursuant to section 903 of the Social Security
26 Act are appropriated to the department of workforce
27 development and shall be used by the department for the
28 administration of the unemployment compensation program only.
29 This appropriation shall not apply to any fiscal year
30 beginning after December 31, 2016.

31 Sec. 33. SMALL BUSINESS DEVELOPMENT CENTERS. There is
32 appropriated from the general fund of the state to Iowa state
33 university of science and technology for the fiscal year
34 beginning July 1, 2016, and ending June 30, 2017, the following
35 amount, or so much thereof as is necessary, to be used for the

1 purposes of funding small business development centers:
2 \$ 50,500

3 Sec. 34. IOWA SKILLED WORKER AND JOB CREATION FUND.

4 1. There is appropriated from the Iowa skilled worker and
5 job creation fund created in section 8.75 to the following
6 departments, agencies, and institutions for the fiscal year
7 beginning July 1, 2016, and ending June 30, 2017, the following
8 amounts, or so much thereof as is necessary, to be used for the
9 purposes designated:

10 a. ECONOMIC DEVELOPMENT AUTHORITY

11 (1) For the purposes of providing assistance under the high
12 quality jobs program as described in section 15.335B:

13 \$ 8,450,000

14 (2) From the moneys appropriated in this lettered paragraph
15 "a", the economic development authority may use not more than
16 \$1,000,000 for purposes of providing infrastructure grants to
17 mainstreet communities under the main street Iowa program.

18 (3) As a condition of receiving moneys appropriated in
19 this lettered paragraph "a", an entity shall testify upon the
20 request of the joint appropriations subcommittee on economic
21 development regarding the expenditure of such moneys.

22 b. STATE BOARD OF REGENTS AND REGENTS INSTITUTIONS

23 (1) STATE BOARD OF REGENTS. For capacity building
24 infrastructure in areas related to technology
25 commercialization, marketing and business development
26 efforts in areas related to technology commercialization,
27 entrepreneurship, and business growth, and infrastructure
28 projects and programs needed to assist in implementation of
29 activities under chapter 262B:

30 \$ 1,500,000

31 Of the moneys appropriated pursuant to this subparagraph
32 (1), 35 percent shall be allocated for Iowa state university
33 of science and technology, 35 percent shall be allocated for
34 the university of Iowa, and 30 percent shall be allocated for
35 the university of northern Iowa.

1 (a) The institutions shall provide a one-to-one match
2 of additional moneys for the activities funded with moneys
3 appropriated under this subparagraph (1).

4 (b) The state board of regents shall annually submit a
5 report by January 15 to the governor, the general assembly,
6 and the legislative services agency regarding the activities,
7 projects, and programs funded with moneys appropriated under
8 this subparagraph (1). The report shall be provided in an
9 electronic format and shall include a list of metrics and
10 criteria mutually agreed to in advance by the board of regents
11 and the economic development authority. The metrics and
12 criteria shall allow the governor's office and the general
13 assembly to quantify and evaluate the progress of the board of
14 regents institutions with regard to their activities, projects,
15 and programs in the areas of technology commercialization,
16 entrepreneurship, regional development, and market research.

17 (2) IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY. For
18 small business development centers, the science and technology
19 research park, and the center for industrial research and
20 service, and for not more than the following full-time
21 equivalent positions:

22	\$	1,212,151
23	FTEs	56.63

24 (a) Of the moneys appropriated in this subparagraph (2),
25 Iowa state university of science and technology shall allocate
26 at least \$735,728 for purposes of funding small business
27 development centers. Iowa state university of science and
28 technology may allocate the appropriated moneys to the various
29 small business development centers in any manner necessary to
30 achieve the purposes of this subparagraph.

31 (b) Iowa state university of science and technology shall
32 do all of the following:

33 (i) Direct expenditures for research toward projects that
34 will provide economic stimulus for Iowa.

35 (ii) Provide emphasis to providing services to Iowa-based

1 companies.

2 (c) It is the intent of the general assembly that the
3 industrial incentive program focus on Iowa industrial sectors
4 and seek contributions and in-kind donations from businesses,
5 industrial foundations, and trade associations, and that moneys
6 for the center for industrial research and service industrial
7 incentive program shall be allocated only for projects which
8 are matched by private sector moneys for directed contract
9 research or for nondirected research. The match required of
10 small businesses as defined in section 15.102, subsection 10,
11 for directed contract research or for nondirected research
12 shall be \$1 for each \$3 of state funds. The match required
13 for other businesses for directed contract research or
14 for nondirected research shall be \$1 for each \$1 of state
15 funds. The match required of industrial foundations or trade
16 associations shall be \$1 for each \$1 of state funds.

17 Iowa state university of science and technology shall
18 report annually to the joint appropriations subcommittee on
19 economic development and the legislative services agency the
20 total amount of private contributions, the proportion of
21 contributions from small businesses and other businesses, and
22 the proportion for directed contract research and nondirected
23 research of benefit to Iowa businesses and industrial sectors.

24 (3) STATE UNIVERSITY OF IOWA. For the state university
25 of Iowa research park and for the advanced drug development
26 program at the Oakdale research park, including salaries,
27 support, maintenance, equipment, and miscellaneous purposes,
28 and for not more than the following full-time equivalent
29 positions:

30	\$	104,640
31	FTEs	6.00

32 The state university of Iowa shall do all of the following:

33 (a) Direct expenditures for research toward projects that
34 will provide economic stimulus for Iowa.

35 (b) Provide emphasis to providing services to Iowa-based

1 companies.

2 (4) STATE UNIVERSITY OF IOWA. For the purpose of
3 implementing the entrepreneurship and economic growth
4 initiative, and for not more than the following full-time
5 equivalent positions:

6	\$	1,000,000
7	FTEs	9.75

8 (5) UNIVERSITY OF NORTHERN IOWA. For the metal casting
9 institute, the MyEntreNet internet application, and the
10 institute of decision making, including salaries, support,
11 maintenance, and miscellaneous purposes, and for not more than
12 the following full-time equivalent positions:

13	\$	533,210
14	FTEs	7.72

15 (a) Of the moneys appropriated pursuant to this
16 subparagraph (5), the university of northern Iowa shall
17 allocate at least \$533,210 for purposes of support of
18 entrepreneurs through the university's regional business center
19 and economic gardening program.

20 (b) The university of northern Iowa shall do all of the
21 following:

22 (i) Direct expenditures for research toward projects that
23 will provide economic stimulus for Iowa.

24 (ii) Provide emphasis to providing services to Iowa-based
25 companies.

26 (6) As a condition of receiving moneys appropriated in
27 this lettered paragraph "b", an entity shall testify upon the
28 request of the joint appropriations subcommittee on economic
29 development regarding the expenditure of such moneys.

30 c. DEPARTMENT OF WORKFORCE DEVELOPMENT

31 To develop a long-term sustained program to train unemployed
32 and underemployed central Iowans with skills necessary to
33 advance to higher-paying jobs with full benefits:

34	\$	50,000
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35 (1) The department of workforce development shall begin

1 a request for proposals process, issued for purposes of this
2 lettered paragraph "c", no later than September 1, 2016.

3 (2) As a condition of receiving moneys appropriated under
4 this lettered paragraph "c", an entity shall testify upon the
5 request of the joint appropriations subcommittee on economic
6 development regarding the expenditure of such moneys.

7 2. Notwithstanding section 8.33, moneys appropriated
8 in this section of this Act that remain unencumbered or
9 unobligated at the close of the fiscal year shall not revert
10 but shall remain available for expenditure for the purposes
11 designated until the close of the succeeding fiscal year.

12 Sec. 35. IOWA PRODUCTS. As a condition of receiving an
13 appropriation, any agency appropriated moneys pursuant to
14 this division of this Act shall give first preference when
15 purchasing a product to an Iowa product or a product produced
16 from an Iowa-based business. Second preference shall be
17 given to a United States product or a product produced from a
18 business based in the United States.

19 Sec. 36. PERSONNEL SETTLEMENT AGREEMENT PAYMENTS. As
20 a condition made to any appropriation to the department of
21 cultural affairs, the economic development authority, the Iowa
22 finance authority, the public employment relations board,
23 the department of workforce development, the state board of
24 regents, Iowa state university of science and technology, the
25 state university of Iowa, or the university of northern Iowa as
26 provided in this division of this Act, moneys appropriated and
27 any other moneys available for use by that entity under this
28 division of this Act shall not be used for the payment of a
29 personnel settlement agreement between that entity and a state
30 employee that contains a confidentiality provision intended to
31 prevent public disclosure of the agreement or any terms of the
32 agreement.

33 DIVISION III

34 MISCELLANEOUS PROVISIONS — EMPLOYMENT RIDES INITIATIVE

35 Sec. 37. NEW SECTION. 324A.8 Iowa employment rides

1 initiative — grant program — fund.

2 1. As used in this section, unless the context otherwise
3 requires "*employment transportation*" means an urban or
4 rural program or service that provides an individual with
5 transportation solely to or from a workplace, including but not
6 limited to the following programs and services:

7 a. Expanding or sustaining existing transportation services
8 or service hours.

9 b. Coordinating ride share services, including car pool or
10 van pool services.

11 c. Shuttle services.

12 2. The Iowa employment rides initiative is established in
13 the department to provide grants to public transit systems for
14 programs and services that provide employment transportation
15 to Iowans.

16 3. The department shall award grants on a competitive basis.
17 A grant shall not exceed one hundred fifty thousand dollars. A
18 grant application shall contain a commitment from the public
19 transit system of at least a dollar-for-dollar match of the
20 grant funds awarded. Moneys charged to individuals receiving
21 employment transportation services cannot be used as matching
22 funds. Grants shall be used only for operational costs
23 directly associated with providing employment transportation
24 and shall not be used for capital expenditures or construction.

25 4. A public transit system may coordinate with other local,
26 state, or federal governmental agencies and private nonprofit
27 organizations in the administration of a program or service
28 receiving a grant under the initiative and in expenditure of
29 grant funds.

30 5. The department shall, by January 1 each year, submit
31 a report to the general assembly on the outcomes of the
32 initiative, including the grant amount, the type of program or
33 service receiving funds, and the number of individuals served
34 for each grant awarded by the initiative. As a condition of
35 having received a grant from the initiative, a public transit

1 system shall provide the department with information on any
2 program or service for which the public transit system is
3 awarded a grant from the initiative.

4 6. The department shall adopt rules pursuant to chapter 17A
5 to administer the initiative, including but not limited to an
6 application process and grant award criteria.

7 7. a. An Iowa employment rides fund is created in the state
8 treasury under the control of the department. The fund shall
9 consist of moneys appropriated to the department and any other
10 moneys available to, obtained, or accepted by the department
11 for placement in the fund.

12 b. Moneys in the fund are appropriated to the department and
13 shall be used to provide grants under the Iowa employment rides
14 initiative established in this section.

15 c. Moneys in the fund are not subject to section 8.33.
16 Notwithstanding section 12C.7, subsection 2, interest or
17 earnings on moneys in the fund shall be credited to the fund.

18 DIVISION IV

19 MISCELLANEOUS PROVISIONS —

20 MERIT SYSTEM STATUS AND APPEALS

21 Sec. 38. Section 8A.412, subsection 11, Code 2015, is
22 amended to read as follows:

23 11. Professional employees under the supervision of the
24 attorney general, the state public defender, the secretary
25 of state, the auditor of state, the treasurer of state, and
26 the public employment relations board. However, employees of
27 the consumer advocate division of the department of justice,
28 other than the consumer advocate, and administrative law judges
29 appointed or employed by the public employment relations board,
30 are subject to the merit system.

31 Sec. 39. Section 8A.415, subsection 1, paragraph b, Code
32 2015, is amended to read as follows:

33 b. If not satisfied, the employee may, within thirty
34 calendar days following the director's response, file an
35 appeal with the public employment relations board. The

1 hearing shall be conducted in accordance with the rules of the
2 public employment relations board and the Iowa administrative
3 procedure Act, chapter 17A. Decisions rendered shall be based
4 upon a standard of substantial compliance with this subchapter
5 and the rules of the department. Decisions by the public
6 employment relations board constitute final agency action.
7 However, if the employee is an administrative law judge
8 appointed or employed by the public employment relations board,
9 the employee's appeal shall be heard by an administrative law
10 judge employed by the administrative hearings division of the
11 department of inspections and appeals in accordance with the
12 provisions of section 10A.801, whose decision shall constitute
13 final agency action.

14 Sec. 40. Section 8A.415, subsection 2, paragraph b, Code
15 2015, is amended to read as follows:

16 *b.* If not satisfied, the employee may, within thirty
17 calendar days following the director's response, file an appeal
18 with the public employment relations board. The employee has
19 the right to a hearing closed to the public, unless a public
20 hearing is requested by the employee. The hearing shall
21 otherwise be conducted in accordance with the rules of the
22 public employment relations board and the Iowa administrative
23 procedure Act, chapter 17A. If the public employment relations
24 board finds that the action taken by the appointing authority
25 was for political, religious, racial, national origin, sex,
26 age, or other reasons not constituting just cause, the employee
27 may be reinstated without loss of pay or benefits for the
28 elapsed period, or the public employment relations board may
29 provide other appropriate remedies. Decisions by the public
30 employment relations board constitute final agency action.
31 However, if the employee is an administrative law judge
32 appointed or employed by the public employment relations board,
33 the employee's appeal shall be heard by an administrative law
34 judge employed by the administrative hearings division of the
35 department of inspections and appeals in accordance with the

1 provisions of section 10A.801, whose decision shall constitute
2 final agency action.

3 Sec. 41. Section 10A.801, subsection 3, paragraph a, Code
4 2015, is amended to read as follows:

5 a. The department shall employ a sufficient number of
6 administrative law judges to conduct proceedings for which
7 agencies are required, by section 17A.11 or any other provision
8 of law, to use an administrative law judge employed by the
9 division. An administrative law judge employed by the division
10 shall not perform duties inconsistent with the judge's duties
11 and responsibilities as an administrative law judge and shall
12 be located in an office that is separated from the offices of
13 the agencies for which that person acts as a presiding officer.
14 ~~Administrative~~ The administrator and all administrative law
15 judges shall be covered by the merit system provisions of
16 chapter 8A, subchapter IV.

17 Sec. 42. Section 86.2, subsection 1, paragraphs a and b,
18 Code 2015, are amended to read as follows:

19 a. Chief deputy workers' compensation commissioners for
20 whose acts the commissioner is responsible, ~~who are exempt from~~
21 who shall be appointed and serve pursuant to the merit system
22 provisions of chapter 8A, subchapter IV, and who shall serve at
23 the pleasure of the commissioner unless the commissioners are
24 otherwise covered by a collective bargaining agreement.

25 b. Deputy workers' compensation commissioners for whose
26 acts the commissioner is responsible ~~and who shall serve at the~~
27 pleasure of the commissioner be appointed and serve pursuant
28 to the merit system provisions of chapter 8A, subchapter IV,
29 unless the commissioners are otherwise covered by a collective
30 bargaining agreement.

31 Sec. 43. Section 96.6, subsection 3, paragraph b, Code 2015,
32 is amended to read as follows:

33 b. Appeals from the initial determination shall be heard
34 by an administrative law judge employed by the department who
35 shall be covered by the merit system provisions of chapter

1 8A, subchapter IV, unless the administrative law judge is
2 otherwise covered by a collective bargaining agreement. An
3 administrative law judge's decision may be appealed by any
4 party to the employment appeal board created in section
5 10A.601. The decision of the appeal board is final agency
6 action and an appeal of the decision shall be made directly to
7 the district court.

8 DIVISION V

9 MISCELLANEOUS PROVISIONS — ECONOMIC DEVELOPMENT AUTHORITY

10 REDEVELOPMENT TAX CREDITS

11 Sec. 44. Section 15.293B, subsection 4, Code 2015, is
12 amended to read as follows:

13 4. A registered project shall be completed within thirty
14 months of the date the project was registered unless the
15 authority, upon recommendation of the council and approval of
16 the board, provides additional time to complete the project.
17 ~~A project shall not be provided more than twelve months of~~
18 ~~additional time.~~ If the registered project is not completed
19 within the time required, the project is not eligible to claim
20 a tax credit provided in section 15.293A.

21 Sec. 45. EFFECTIVE UPON ENACTMENT. This division of this
22 Act, being deemed of immediate importance, takes effect upon
23 enactment.

24 Sec. 46. RETROACTIVE APPLICABILITY. The section of this
25 division of this Act amending Code section 15.293B applies
26 retroactively to qualifying redevelopment project agreements
27 entered into on or after July 1, 2010, for which a request for
28 a project extension is submitted to the economic development
29 authority on or after January 1, 2015.

30 DIVISION VI

31 MISCELLANEOUS PROVISIONS — FRANCHISE AGREEMENTS

32 Sec. 47. Section 537A.10, subsection 9, paragraph b, Code
33 2015, is amended to read as follows:

34 *b.* However, the publication by the franchisor of a list
35 of approved suppliers of goods, supplies, inventories, or

1 services, or the requirement that such goods, supplies,
2 inventories, or services comply with customary and reasonable
3 specifications and standards prescribed by the franchisor,
4 does not constitute designation of a source. Additionally,
5 the reasonable right of a franchisor to disapprove a supplier
6 does not constitute a designation of source. This subsection
7 does not apply to the principal goods, supplies, inventories,
8 or services manufactured by the franchisor, except for motor
9 oil that is labeled in accordance with the requirements of
10 the American petroleum institute, or such goods, supplies,
11 inventories, or services entitled to protection as a trade
12 secret.

13 EXPLANATION

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

16 This bill makes appropriations and transfers from the
17 general fund of the state and other funds to the department
18 of cultural affairs, the economic development authority, the
19 Iowa finance authority, the public employee relations board,
20 the department of workforce development, the board of regents,
21 the university of Iowa, the university of northern Iowa, and
22 Iowa state university for the 2015-2016 fiscal year modifies
23 the redevelopment tax credit, and provides for other related
24 changes.

25 DIVISION I — FY 2015-2016. Division I of the bill relates
26 to FY 2015-2016 appropriations and related changes. The bill
27 provides that the goals for the economic development authority
28 shall be to expand and stimulate the state economy, increase
29 the wealth of Iowans, and increase the population of the state.

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

35 The bill requests the auditor of state to review the audit

1 of the Iowa finance authority performed by the auditor hired
2 by the authority.

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

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

9 The bill requires the department of workforce development
10 to require a unique identification login for all users of
11 workforce development centers operated through electronic
12 means.

13 The bill appropriates moneys from moneys credited to
14 the state by the secretary of the treasury of the United
15 States pursuant to the Social Security Act to the department
16 of workforce development for the administration of the
17 unemployment compensation program only.

18 The bill appropriates moneys from the Iowa skilled worker
19 and job creation fund to the economic development authority and
20 the board of regents and certain regents institutions.

21 The bill requires an agency receiving an appropriation
22 pursuant to the bill to impose certain purchasing preferences.

23 The bill prohibits an agency receiving an appropriation
24 pursuant to the bill from using moneys for the payment of a
25 personnel settlement agreement between that entity and a state
26 employee that contains a confidentiality provision.

27 DIVISION II — FY 2016-2017. Division II of the bill makes
28 appropriations and transfers from the general fund of the state
29 and other funds to the department of cultural affairs, the
30 economic development authority, the Iowa finance authority, the
31 public employee relations board, the department of workforce
32 development, the board of regents, the university of Iowa, the
33 university of northern Iowa, and Iowa state university for the
34 2016-2017 fiscal year at generally 50 percent of the amounts
35 appropriated for the same purposes for the prior fiscal year.

1 DIVISION III — MISCELLANEOUS PROVISIONS — EMPLOYMENT RIDES
2 INITIATIVE. Division III of the bill establishes an Iowa
3 employment rides initiative in the department of transportation
4 to provide funds to public transit systems for programs and
5 services that provide employment transportation to Iowans.
6 The bill defines "employment transportation" as an urban or
7 rural program or service that provides an individual with
8 transportation solely to or from a workplace, including but
9 not limited to expanding or sustaining existing transportation
10 services or service hours, coordinating ride share services,
11 and shuttle services.

12 The department of transportation shall award grants on a
13 competitive basis. A grant cannot exceed \$150,000. A grant
14 application must contain a commitment from the public transit
15 system of at least a dollar-for-dollar match of the grant funds
16 awarded. Moneys charged to individuals receiving employment
17 transportation services cannot be used as matching funds. The
18 bill requires a public transit system receiving a grant to use
19 those moneys only for operational costs directly associated
20 with providing employment transportation and prohibits the use
21 of the moneys for capital expenditures or construction.

22 The bill permits the public transit system receiving a
23 grant pursuant to the bill to coordinate with other local,
24 state, or federal governmental agencies and private nonprofit
25 organizations in the administration of a program or service.
26 The bill requires a public transit system receiving a grant,
27 as a condition of the grant, to provide the department of
28 transportation with information on any program or service for
29 which the public transit system is awarded a grant.

30 The bill requires the department of transportation to submit
31 a report to the general assembly by January 1 of each year on
32 the outcomes of the initiative.

33 The bill requires the department of transportation to adopt
34 administrative rules to administer the initiative.

35 The bill creates an employment rides fund in the state

1 treasury under the control of the department of transportation
2 to be used to provide grants under the Iowa employment rides
3 initiative.

4 DIVISION IV — MISCELLANEOUS PROVISIONS — MERIT
5 SYSTEM STATUS AND APPEALS. Division IV of the bill makes
6 miscellaneous Code changes related to the merit system
7 protection for administrative law judges in certain
8 departments. The bill amends Code section 8A.412 to provide
9 that administrative law judges appointed or employed by the
10 public employment relations board are subject to the merit
11 system provision of Code chapter 8A. The bill amends Code
12 section 8A.415 to provide that if an employee subject to
13 the merit system is an administrative law judge appointed
14 or employed by the public employment relations board, the
15 employee's appeal concerning a grievance or discipline
16 involving the employee shall be heard by an administrative law
17 judge within the department of inspections and appeals rather
18 than the public employment relations board, and the decision
19 of the administrative law judge within the department of
20 inspections and appeals constitutes the final agency action.

21 The bill provides that the administrator of the
22 administrative hearings division of the department of
23 inspections and appeals is covered by the merit system as
24 provided in Code chapter 8A.

25 The bill states that the chief deputy workers' compensation
26 commissioners and deputy workers' compensation commissioners
27 shall be appointed and serve pursuant to the merit system
28 provision of Code chapter 8A unless the commissioners are
29 otherwise covered by a collective bargaining agreement.
30 Currently, the chief deputy commissioners are exempt from the
31 merit system and all chief deputy and deputy commissioners
32 serve at the pleasure of the workers' compensation
33 commissioner.

34 The bill provides that an administrative law judge employed
35 by the department of workforce development for unemployment

1 compensation cases shall be covered by the merit system
2 provisions of Code chapter 8A unless the judge is otherwise
3 covered by a collective bargaining agreement.

4 DIVISION V — MISCELLANEOUS PROVISIONS — ECONOMIC
5 DEVELOPMENT AUTHORITY REDEVELOPMENT TAX CREDIT. Division V
6 of the bill allows the economic development authority, upon
7 recommendation of the brownfield redevelopment advisory council
8 and approval of the economic development authority board,
9 to extend the time for completion of a registered project
10 receiving a redevelopment tax credit beyond the 30-month limit
11 from the date the project was registered. The bill eliminates
12 a provision prohibiting a project from being provided more
13 than 12 months of additional time beyond the 30-month limit
14 to complete the project. The provisions in this division are
15 effective upon enactment and apply retroactively to qualifying
16 redevelopment project agreements entered into on or after
17 July 1, 2010, for which a request for a project extension is
18 submitted to the economic development authority on or after
19 January 1, 2015.

20 DIVISION VI — MISCELLANEOUS PROVISIONS — FRANCHISE
21 AGREEMENTS. Division VI of the bill relates to franchise
22 agreements. The Code does not allow a franchisor to require
23 a franchisee to purchase goods, supplies, inventories, or
24 services exclusively from the franchisor or from a source of
25 supply specifically designated by the franchisor where the
26 goods, supplies, inventories, or services of comparable quality
27 are available from sources other than those designated by
28 the franchisor. The Code does, however, allow a franchisor
29 to publish a list of approved supplies of goods, supplies,
30 inventories, or services or require that such goods, supplies,
31 inventories, or services comply with specifications and
32 standards prescribed by the franchisor. The bill adds that
33 such specifications and standards must be customary and
34 reasonable.

35 The Code currently provides that this limitation on the

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1 sources of goods and services in franchise agreements does not
2 apply to principal goods, supplies, inventories, or services
3 manufactured by the franchisor. The bill adds an exception to
4 the limitation for motor oil that is labeled in accordance with
5 the requirements of the American petroleum institute.