

**House File 2564 - Introduced**

HOUSE FILE 2564

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO LSB 5002HB)

**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, providing for  
6 properly related matters, and including contingent effective  
7 date and applicability provisions.

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

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DIVISION I

FY 2022-2023 APPROPRIATIONS

Section 1. DEPARTMENT OF CULTURAL AFFAIRS.

1. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2022, and ending June 30, 2023, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. ADMINISTRATION

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

.....	\$	168,637
.....	FTEs	55.24

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

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

b. COMMUNITY CULTURAL GRANTS

For planning and programming for the community cultural grants program established under [section 303.3](#):

.....	\$	172,090
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c. HISTORICAL DIVISION

For the support of the historical division:

.....	\$	3,142,351
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d. HISTORIC SITES

For the administration and support of historic sites:

.....	\$	426,398
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e. ARTS DIVISION

For the support of the arts division:

.....	\$	1,017,188
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1 f. IOWA GREAT PLACES

2 For the Iowa great places program established under section  
3 303.3C:

4 ..... \$ 450,000

5 g. CULTURAL TRUST GRANTS

6 For grant programs administered by the Iowa arts  
7 council including those programs supporting the long-term  
8 financial stability and sustainability of nonprofit cultural  
9 organizations:

10 ..... \$ 150,000

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

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

17 1. For the fiscal year beginning July 1, 2022, the goals  
18 for the economic development authority shall be to expand and  
19 stimulate the state economy, increase the wealth of Iowans, and  
20 increase the population of the state.

21 2. To achieve the goals in subsection 1, the economic  
22 development authority shall do all of the following for the  
23 fiscal year beginning July 1, 2022:

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

26 b. Adopt practices and services consistent with free  
27 market, private sector philosophies.

28 c. Ensure economic growth and development throughout the  
29 state.

30 d. Work with businesses and communities to continually  
31 improve the economic development climate along with the  
32 economic well-being and quality of life for Iowans.

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

35 f. Establish a strong and aggressive marketing image to

1 showcase Iowa's workforce, existing industry, and potential.  
2 A priority shall be placed on recruiting new businesses,  
3 business expansion, and retaining existing Iowa businesses.  
4 Emphasis shall be placed on entrepreneurial development through  
5 helping entrepreneurs secure capital, and developing networks  
6 and a business climate conducive to entrepreneurs and small  
7 businesses.

8 g. Encourage the development of communities and quality of  
9 life to foster economic growth.

10 h. Prepare communities for future growth and development  
11 through development, expansion, and modernization of  
12 infrastructure.

13 i. Develop public-private partnerships with Iowa businesses  
14 in the tourism industry, Iowa tour groups, Iowa tourism  
15 organizations, and political subdivisions in this state to  
16 assist in the development of advertising efforts.

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

19 Sec. 3. ECONOMIC DEVELOPMENT AUTHORITY.

20 1. APPROPRIATION

21 a. There is appropriated from the general fund of the state  
22 to the economic development authority for the fiscal year  
23 beginning July 1, 2022, and ending June 30, 2023, the following  
24 amount, or so much thereof as is necessary, to be used for the  
25 purposes designated in this subsection, and for not more than  
26 the following full-time equivalent positions:

27 .....	\$ 13,318,553
28 .....	FTEs 105.85

29 b. (1) For salaries, support, miscellaneous purposes,  
30 programs, marketing, and the maintenance of an administration  
31 division, a business development division, a community  
32 development division, a small business development division,  
33 and other divisions the authority may organize.

34 (2) The full-time equivalent positions authorized under  
35 this section are funded, in whole or in part, by the moneys

1 appropriated under this subsection or by other moneys received  
2 by the authority, including certain federal moneys.

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

6 (4) For transfer to a fund created pursuant to section  
7 15.313 for purposes of financing strategic infrastructure  
8 projects.

9 (5) For community economic development programs, tourism  
10 operations, community assistance, plans for Iowa green corps  
11 and summer youth programs, the main street and rural main  
12 street programs, the school-to-career program, the community  
13 development block grant, and housing and shelter-related  
14 programs.

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

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

22 2. FINANCIAL ASSISTANCE RESTRICTIONS

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

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

1 legal resident aliens residing in the United States.

2 c. A business that receives financial assistance from  
3 the authority from moneys appropriated in subsection 1 shall  
4 only employ individuals legally authorized to work in this  
5 state. In addition to all other applicable penalties provided  
6 by current law, all or a portion of the assistance received  
7 by a business which is found to knowingly employ individuals  
8 not legally authorized to work in this state is subject to  
9 recapture by the authority.

10 3. USES OF APPROPRIATIONS

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

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

20 c. From the moneys appropriated in subsection 1, the  
21 authority may provide financial assistance in the form of  
22 grants, loans, or forgivable loans for advanced research and  
23 commercialization projects involving value-added agriculture,  
24 advanced technology, or biotechnology.

25 d. The authority shall not use any moneys appropriated in  
26 subsection 1 for purposes of providing financial assistance for  
27 the Iowa green streets pilot project or for any other program  
28 or project that involves the installation of geothermal systems  
29 for melting snow and ice from streets or sidewalks.

30 4. WORLD FOOD PRIZE

31 In lieu of the standing appropriation in [section 15.368](#),  
32 there is appropriated from the general fund of the state to the  
33 economic development authority for the fiscal year beginning  
34 July 1, 2022, and ending June 30, 2023, the following amount  
35 for the world food prize:

1 ..... \$ 375,000

2 5. IOWA COMMISSION ON VOLUNTEER SERVICE

3 a. There is appropriated from the general fund of the state  
4 to the economic development authority for the fiscal year  
5 beginning July 1, 2022, and ending June 30, 2023, the following  
6 amount for allocation to the Iowa commission on volunteer  
7 service for purposes of the Iowa state commission grant  
8 program, the Iowa's promise and Iowa mentoring partnership  
9 programs, and for not more than the following full-time  
10 equivalent positions:

11 ..... \$ 168,201

12 ..... FTEs 12.70

13 Of the moneys appropriated in this subsection, the  
14 authority shall allocate \$75,000 for purposes of the Iowa state  
15 commission grant program and \$93,201 for purposes of the Iowa's  
16 promise and Iowa mentoring partnership programs.

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

22 6. COUNCILS OF GOVERNMENTS — ASSISTANCE

23 There is appropriated from the general fund of the state  
24 to the economic development authority for the fiscal year  
25 beginning July 1, 2022, and ending June 30, 2023, the following  
26 amount to be used for the purposes of providing financial  
27 assistance to Iowa's councils of governments:

28 ..... \$ 350,000

29 7. FUTURE READY IOWA REGISTERED APPRENTICESHIP DEVELOPMENT  
30 PROGRAM

31 a. There is appropriated from the general fund of the state  
32 to the economic development authority for the fiscal year  
33 beginning July 1, 2022, and ending June 30, 2023, the following  
34 amount to be used for the funding of the future ready Iowa  
35 registered apprenticeship development program under chapter

1 15C, to encourage small to midsize businesses to start or grow  
2 registered apprenticeships:

3 ..... \$ 760,000

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

9 8. REGIONAL SPORTS AUTHORITY DISTRICTS

10 a. There is appropriated from the general fund of the state  
11 to the economic development authority for the fiscal year  
12 beginning July 1, 2022, and ending June 30, 2023, the following  
13 amount to be distributed equally to regional sports authority  
14 districts certified by the authority pursuant to section  
15 15E.321:

16 ..... \$ 500,000

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

22 9. BUTCHERY INNOVATION AND REVITALIZATION PROGRAM

23 There is appropriated from the general fund of the state  
24 to the economic development authority for the fiscal year  
25 beginning July 1, 2022, and ending June 30, 2023, the following  
26 amount, or so much thereof as is necessary, for the purpose  
27 designated:

28 For support of the butchery innovation and revitalization  
29 program established in section 15E.370:

30 ..... \$ 1,000,000

31 10. COMMUNITY ATTRACTION AND TOURISM FUND

32 There is appropriated from the general fund of the state  
33 to the economic development authority for the fiscal year  
34 beginning July 1, 2022, and ending June 30, 2023, the following  
35 amount, or so much thereof as is necessary, to be used for the



1 purpose designated:

2 For deposit in the community attraction and tourism fund  
3 created in section 15F.204:

4 ..... \$ 2,000,000

5 11. BROADBAND FORWARD AND TELECOMMUTER FORWARD

6 CERTIFICATIONS

7 There is appropriated from the general fund of the state  
8 to the economic development authority for the fiscal year  
9 beginning July 1, 2022, and ending June 30, 2023, the following  
10 amount, or so much thereof as is necessary, to be used for the  
11 purpose designated:

12 For broadband forward and telecommuter forward  
13 certifications pursuant to section 15E.167:

14 ..... \$ 250,000

15 12. SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS

16 INTERNSHIPS

17 a. There is appropriated from the Iowa skilled worker and  
18 job creation fund created in section 8.75 to the Iowa economic  
19 development authority for the fiscal year beginning July 1,  
20 2022, and ending June 30, 2023, the following amount, or so  
21 much thereof as is necessary, to be used for the purposes  
22 designated:

23 For the funding of internships for students studying in the  
24 fields of science, technology, engineering, and mathematics  
25 with eligible Iowa employers as provided in section 15.411,  
26 subsection 3, paragraph "c":

27 ..... \$ 1,000,000

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

31 c. Notwithstanding section 8.33, moneys appropriated in  
32 this subsection that remain unencumbered or unobligated at the  
33 close of the fiscal year shall not revert but shall remain  
34 available for expenditure for the purposes designated in  
35 subsequent fiscal years.

1 13. FUTURE READY IOWA — VOLUNTEER MENTORING PROGRAM

2 a. There is appropriated from the Iowa skilled worker and  
3 job creation fund created in section 8.75 to the economic  
4 development authority for the fiscal year beginning July 1,  
5 2022, and ending June 30, 2023, the following amount, or so  
6 much thereof as is necessary, to be used for the purposes  
7 designated:

8 For allocation to the Iowa commission on volunteer services  
9 to be used for establishing a volunteer mentor program to  
10 support implementation of the future ready Iowa skilled  
11 workforce last-dollar scholarship program in section 261.131  
12 and the future ready Iowa skilled workforce grant program  
13 created in section 261.132, and for not more than the following  
14 full-time equivalent positions:

15 .....	\$	400,000
16 .....	FTEs	1.15

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

22 14. STEM BEST AND EMPOWER RURAL IOWA

23 a. There is appropriated from the Iowa skilled worker and  
24 job creation fund created in section 8.75 to the economic  
25 development authority for the fiscal year beginning July 1,  
26 2022, and ending June 30, 2023, the following amount, or so  
27 much thereof as is necessary, to be used for the purposes  
28 designated:

29 STEM best:

30 .....	\$	700,000
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31 Empower rural Iowa program:

32 .....	\$	700,000
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33 b. Notwithstanding section 8.33, moneys appropriated in  
34 this subsection that remain unencumbered or unobligated at the  
35 close of the fiscal year shall not revert but shall remain

1 available for expenditure for the purposes designated until the  
2 close of the succeeding fiscal year.

3 c. The authority shall adopt rules pursuant to chapter  
4 17A to establish criteria for the distribution of the moneys  
5 appropriated in this subsection.

6 Sec. 4. LIMITATIONS OF STANDING APPROPRIATIONS — FY  
7 2022-2023. Notwithstanding the standing appropriations  
8 in the following designated sections for the fiscal year  
9 beginning July 1, 2022, and ending June 30, 2023, the amounts  
10 appropriated from the general fund of the state pursuant to  
11 those sections for the following purposes shall not exceed the  
12 following amounts:

13 1. For operational support grants and community cultural  
14 grants under section 99F.11, subsection 4, paragraph "d",  
15 subparagraph (1):

16 ..... \$ 448,403

17 2. For the purposes of regional tourism marketing under  
18 section 99F.11, subsection 4, paragraph "d", subparagraph (2):

19 ..... \$ 900,000

20 Sec. 5. FINANCIAL ASSISTANCE REPORTING — ECONOMIC  
21 DEVELOPMENT AUTHORITY. The economic development authority  
22 shall submit an annual report to the general assembly no later  
23 than November 1, 2022, that details the amount of every direct  
24 loan, forgivable loan, tax credit, tax exemption, tax refund,  
25 grant, or any other financial assistance awarded to a person  
26 during the prior fiscal year by the authority under an economic  
27 development program administered by the authority. The report  
28 shall identify the county where the project associated with  
29 each such award is located.

30 Sec. 6. INSURANCE ECONOMIC DEVELOPMENT. From the  
31 moneys collected by the insurance division in excess of the  
32 anticipated gross revenues under section 505.7, subsection  
33 3, during the fiscal year beginning July 1, 2022, \$100,000  
34 shall be transferred to the economic development authority for  
35 insurance economic development and international insurance

1 economic development.

2 Sec. 7. IOWA FINANCE AUTHORITY.

3 1. There is appropriated from the general fund of the state  
4 to the Iowa finance authority for the fiscal year beginning  
5 July 1, 2022, and ending June 30, 2023, the following amount,  
6 or so much thereof as is necessary, to be used to provide  
7 reimbursement for rent expenses to eligible persons under  
8 the home and community-based services rent subsidy program  
9 established in section 16.55:

10 ..... \$ 658,000

11 2. Of the moneys appropriated in this section, not more than  
12 \$35,000 may be used for administrative costs.

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

18 Sec. 8. IOWA FINANCE AUTHORITY AUDIT. The auditor of state  
19 is requested to review the audit of the Iowa finance authority  
20 performed by the auditor hired by the authority.

21 Sec. 9. PUBLIC EMPLOYMENT RELATIONS BOARD.

22 1. There is appropriated from the general fund of the state  
23 to the public employment relations board for the fiscal year  
24 beginning July 1, 2022, and ending June 30, 2023, the following  
25 amount, or so much thereof as is necessary, to be used for the  
26 purposes designated:

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

30 ..... \$ 1,492,452

31 ..... FTEs 10.00

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

1     Sec. 10. DEPARTMENT OF WORKFORCE DEVELOPMENT. There  
2 is appropriated from the general fund of the state to the  
3 department of workforce development for the fiscal year  
4 beginning July 1, 2022, and ending June 30, 2023, the following  
5 amounts, or so much thereof as is necessary, to be used for the  
6 purposes designated:

7     1. DIVISION OF LABOR SERVICES

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

11 .....	\$	3,491,252
12 .....	FTEs	58.46

13     b. From the contractor registration fees, the division of  
14 labor services shall reimburse the department of inspections  
15 and appeals for all costs associated with hearings under  
16 chapter 91C, relating to contractor registration.

17     2. DIVISION OF WORKERS' COMPENSATION

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

21 .....	\$	3,321,044
22 .....	FTEs	26.15

23     b. The division of workers' compensation shall charge a  
24 \$100 filing fee for workers' compensation cases. The filing  
25 fee shall be paid by the petitioner of a claim. However,  
26 the fee can be taxed as a cost and paid by the losing party,  
27 except in cases where it would impose an undue hardship or be  
28 unjust under the circumstances. The moneys generated by the  
29 filing fee allowed under this paragraph are appropriated to the  
30 department of workforce development to be used for purposes of  
31 administering the division of workers' compensation.

32     3. WORKFORCE DEVELOPMENT OPERATIONS

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

1 ..... \$ 6,675,650

2 ..... FTEs 188.63

3 b. Of the moneys appropriated in paragraph "a", the  
4 department shall allocate \$150,000 to the state library for the  
5 purpose of licensing an online resource which prepares persons  
6 to succeed in the workplace through programs which improve job  
7 skills and vocational test-taking abilities.

8 4. OFFENDER REENTRY PROGRAM

9 a. For the development and administration of an offender  
10 reentry program to provide offenders with employment skills,  
11 and for not more than the following full-time equivalent  
12 positions:

13 ..... \$ 387,158

14 ..... FTEs 5.00

15 b. The department of workforce development shall partner  
16 with the department of corrections to provide staff within  
17 the correctional facilities resources to improve offenders'  
18 abilities to find and retain productive employment.

19 5. INTEGRATED INFORMATION FOR IOWA SYSTEM

20 For the payment of services provided by the department of  
21 administrative services related to the integrated information  
22 for Iowa system:

23 ..... \$ 228,822

24 6. SUMMER YOUTH INTERN PILOT PROGRAM

25 For the funding of a summer youth intern pilot program that  
26 will help young people at risk of not graduating from high  
27 school to explore and prepare for high-demand careers through  
28 summer work experience, including the development of soft  
29 skills:

30 ..... \$ 250,000

31 7. NONREVERSION

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

1 succeeding fiscal year.

2     Sec. 11. GENERAL FUND — EMPLOYEE MISCLASSIFICATION  
3 PROGRAM. There is appropriated from the general fund of the  
4 state to the department of workforce development for the fiscal  
5 year beginning July 1, 2022, and ending June 30, 2023, the  
6 following amount, or so much thereof as is necessary, to be  
7 used for the purposes designated:

8     For enhancing efforts to investigate employers that  
9 misclassify workers, and for not more than the following  
10 full-time equivalent positions:

11 .....	\$	379,631
12 .....	FTEs	3.15

13     Sec. 12. SPECIAL EMPLOYMENT SECURITY CONTINGENCY FUND.

14     1. There is appropriated from the special employment  
15 security contingency fund to the department of workforce  
16 development for the fiscal year beginning July 1, 2022, and  
17 ending June 30, 2023, the following amount, or so much thereof  
18 as is necessary, to be used for field offices:

19 .....	\$	2,416,084
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20     2. Any remaining additional penalty and interest revenue  
21 collected by the department of workforce development is  
22 appropriated to the department for the fiscal year beginning  
23 July 1, 2022, and ending June 30, 2023, to accomplish the  
24 mission of the department.

25     Sec. 13. UNEMPLOYMENT COMPENSATION RESERVE FUND —  
26 FIELD OFFICES. Notwithstanding [section 96.9, subsection 8,](#)  
27 paragraph "e", there is appropriated from interest earned on  
28 the unemployment compensation reserve fund to the department  
29 of workforce development for the fiscal year beginning July  
30 1, 2022, and ending June 30, 2023, the following amount, or  
31 so much thereof as is necessary, to be used for the purposes  
32 designated:

33     For the operation of field offices:

34 .....	\$	2,200,000
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35     Sec. 14. VIRTUAL ACCESS WORKFORCE DEVELOPMENT OFFICES. The

1 department of workforce development shall require a unique  
2 identification login for all users of workforce development  
3 centers operated through electronic means.

4 Sec. 15. UNEMPLOYMENT COMPENSATION PROGRAM. Notwithstanding  
5 section 96.9, subsection 4, paragraph "a", moneys credited to  
6 the state by the secretary of the treasury of the United  
7 States pursuant to section 903 of the Social Security  
8 Act are appropriated to the department of workforce  
9 development and shall be used by the department for the  
10 administration of the unemployment compensation program only.  
11 This appropriation shall not apply to any fiscal year  
12 beginning after December 31, 2022.

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

14 1. There is appropriated from the Iowa skilled worker and  
15 job creation fund created in section 8.75 to the following  
16 departments, agencies, and institutions for the fiscal year  
17 beginning July 1, 2022, and ending June 30, 2023, the following  
18 amounts, or so much thereof as is necessary, to be used for the  
19 purposes designated:

20 a. ECONOMIC DEVELOPMENT AUTHORITY

21 (1) For the purposes of providing assistance as described in  
22 section 15.335B for the high quality jobs program:

23 ..... \$ 11,700,000

24 From the moneys appropriated in this subparagraph, the  
25 economic development authority may use not more than \$1,000,000  
26 for purposes of providing infrastructure grants to main street  
27 communities under the main street Iowa program and may allocate  
28 not more than \$300,000 for the purposes of supporting statewide  
29 worker education and quality preapprenticeship programs.

30 (2) As a condition of receiving moneys appropriated in  
31 this lettered paragraph "a", an entity shall testify upon the  
32 request of the joint appropriations subcommittee on economic  
33 development regarding the expenditure of such moneys.

34 b. STATE BOARD OF REGENTS AND REGENTS INSTITUTIONS

35 (1) STATE BOARD OF REGENTS. For capacity building



1 infrastructure in areas related to technology  
2 commercialization, marketing and business development  
3 efforts in areas related to technology commercialization,  
4 entrepreneurship, and business growth, and infrastructure  
5 projects and programs needed to assist in implementation of  
6 activities under chapter 262B:

7 ..... \$ 3,000,000

8 (a) Of the moneys appropriated pursuant to this  
9 subparagraph (1), 35 percent shall be allocated for Iowa state  
10 university of science and technology, 35 percent shall be  
11 allocated for the state university of Iowa, and 30 percent  
12 shall be allocated for the university of northern Iowa.

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

16 (c) The state board of regents shall submit a report by  
17 January 15, 2023, to the governor and the general assembly  
18 regarding the activities, projects, and programs funded with  
19 moneys appropriated under this subparagraph (1). The report  
20 shall be provided in an electronic format and shall include a  
21 list of metrics and criteria mutually agreed to in advance by  
22 the board of regents and the economic development authority.  
23 The metrics and criteria shall allow the governor's office and  
24 the general assembly to quantify and evaluate the progress  
25 of the board of regents institutions with regard to their  
26 activities, projects, and programs in the areas of technology  
27 commercialization, entrepreneurship, regional development, and  
28 market research.

29 (2) IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY. For  
30 small business development centers, the research park, and the  
31 center for industrial research and service, and for not more  
32 than the following full-time equivalent positions:

33 ..... \$ 2,424,302  
34 ..... FTEs 50.95

35 (a) Of the moneys appropriated in this subparagraph (2),

1 Iowa state university of science and technology shall allocate  
2 at least \$735,728 for purposes of funding small business  
3 development centers. Iowa state university of science and  
4 technology may allocate the appropriated moneys to the various  
5 small business development centers in any manner necessary to  
6 achieve the purposes of this subparagraph.

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

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

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

13 (c) It is the intent of the general assembly that the  
14 industrial incentive program focus on Iowa industrial sectors  
15 and seek contributions and in-kind donations from businesses,  
16 industrial foundations, and trade associations, and that moneys  
17 for the center for industrial research and service industrial  
18 incentive program shall be allocated only for projects which  
19 are matched by private sector moneys for directed contract  
20 research or for nondirected research. The match required of  
21 small businesses as defined in section 15.102 for directed  
22 contract research or for nondirected research shall be \$1  
23 for each \$3 of state funds. The match required for other  
24 businesses for directed contract research or for nondirected  
25 research shall be \$1 for each \$1 of state funds. The match  
26 required of industrial foundations or trade associations shall  
27 be \$1 for each \$1 of state funds.

28 (d) Iowa state university of science and technology shall  
29 report annually to the general assembly the total amount of  
30 private contributions, the proportion of contributions from  
31 small businesses and other businesses, and the proportion for  
32 directed contract research and nondirected research of benefit  
33 to Iowa businesses and industrial sectors.

34 (3) STATE UNIVERSITY OF IOWA. For the state university of  
35 Iowa research park and for university of Iowa pharmaceuticals

1 located at the research park, including salaries, support,  
2 maintenance, equipment, and miscellaneous purposes, and for not  
3 more than the following full-time equivalent positions:

4 ..... \$ 209,279  
5 ..... FTEs 6.00

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

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

9 (b) Provide emphasis to providing services to Iowa-based  
10 companies.

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

15 ..... \$ 2,000,000  
16 ..... FTEs 8.00

17 (5) UNIVERSITY OF NORTHERN IOWA. For the metal casting  
18 center, the center for business growth and innovation, and the  
19 institute for decision making, including salaries, support,  
20 maintenance, and miscellaneous purposes, and for not more than  
21 the following full-time equivalent positions:

22 ..... \$ 1,066,419  
23 ..... FTEs 10.00

24 (a) Of the moneys appropriated in this subparagraph,  
25 the university of northern Iowa shall allocate at least  
26 \$617,638 for purposes of support of entrepreneurs through the  
27 university's center for business growth and innovation and  
28 advance Iowa program.

29 (b) The university of northern Iowa shall do all of the  
30 following:

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

33 (ii) Provide emphasis to providing services to Iowa-based  
34 companies.

35 (6) As a condition of receiving moneys appropriated in

1 this lettered paragraph "b", an entity shall testify upon the  
2 request of the joint appropriations subcommittee on economic  
3 development regarding the expenditure of such moneys.

4 c. DEPARTMENT OF WORKFORCE DEVELOPMENT

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

8 ..... \$ 100,000

9 (1) The department of workforce development shall begin  
10 a request for proposals process, issued for purposes of this  
11 lettered paragraph "c", no later than September 1, 2022.

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

16 d. DEPARTMENT OF WORKFORCE DEVELOPMENT

17 For the funding of a future ready Iowa coordinator in the  
18 department, and for not more than the following full-time  
19 equivalent positions:

20 ..... \$ 150,000

21 ..... FTEs 1.00

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

27 Sec. 17. GENERAL FUND — CERTAIN REGENTS INSTITUTIONS.

28 1. There is appropriated from the general fund of the state  
29 to the following institutions for the fiscal year beginning  
30 July 1, 2022, and ending June 30, 2023, the following amounts,  
31 or so much thereof as is necessary, to be used for the purposes  
32 designated:

33 a. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

34 In cooperation with the Iowa economic development authority,  
35 for support of a biosciences innovation ecosystem, to

1 strengthen Iowa's leadership positions in the area of bio-based  
2 chemicals, digital agriculture, vaccines, and medical devices,  
3 including salaries, support, maintenance, and miscellaneous  
4 purposes, and for not more than the following full-time  
5 equivalent positions:

6 ..... \$ 3,000,000  
7 ..... FTEs 10.01

8 b. STATE UNIVERSITY OF IOWA

9 In cooperation with the Iowa economic development authority,  
10 for support of a biosciences innovation ecosystem, to  
11 strengthen Iowa's leadership positions in the area of bio-based  
12 chemicals, digital agriculture, vaccines, and medical devices,  
13 including salaries, support, maintenance, and miscellaneous  
14 purposes:

15 ..... \$ 1,000,000  
16 ..... FTEs 4.35

17 c. UNIVERSITY OF NORTHERN IOWA

18 For equipment and technology to expand the university's  
19 additive manufacturing capabilities related to investment  
20 castings technology and industry support, including salaries,  
21 support, maintenance, and miscellaneous purposes, and for not  
22 more than the following full-time equivalent positions:

23 ..... \$ 394,321  
24 ..... FTEs 2.73

25 The university of northern Iowa shall make a good-faith  
26 effort to coordinate with private entities to seek moneys to  
27 supplement this appropriation to support the expansion of the  
28 university's additive manufacturing capabilities.

29 2. Notwithstanding section 8.33, moneys appropriated in  
30 subsection 1, paragraphs "a" and "b", that remain unencumbered  
31 or unobligated at the close of the fiscal year shall not revert  
32 but shall remain available for expenditure for the purposes  
33 designated until the close of the succeeding fiscal year.

34 DIVISION II

35 FY 2022-2023 CONTINGENT APPROPRIATION

1     Sec. 18. ECONOMIC DEVELOPMENT AUTHORITY.

2     1. There is appropriated from the general fund of the state  
3 to the economic development authority for the fiscal year  
4 beginning July 1, 2022, and ending June 30, 2023, the following  
5 amount, or so much thereof as is necessary, for the purpose  
6 designated:

7     For support of the dairy processing and milk production  
8 innovation and revitalization program:  
9 ..... \$ 1,000,000

10    2. Notwithstanding section 8.33, moneys appropriated in  
11 this section which remain unencumbered or unobligated at the  
12 end of the fiscal year shall not revert but shall remain  
13 available for expenditure for the purposes designated until the  
14 close of the succeeding fiscal year.

15     Sec. 19. CONTINGENT EFFECTIVE DATE. The following takes  
16 effect on the effective date of 2022 Iowa Acts, House File  
17 2433, or successor legislation, if enacted:

18     The section of this division of this Act appropriating  
19 moneys to the economic development authority for purposes  
20 of a dairy processing and milk production innovation and  
21 revitalization program.

22                                   DIVISION III

23                                   HIGH QUALITY JOBS TAX CREDITS

24     Sec. 20. Section 15.119, subsection 2, paragraph a,  
25 subparagraph (2), Code 2022, is amended to read as follows:

26     (2) In allocating tax credits pursuant to **this subsection**  
27 for the fiscal year beginning July 1, ~~2021~~ 2022, and for each  
28 fiscal year thereafter, the authority shall not allocate more  
29 than ~~seventy~~ sixty-eight million dollars for purposes of this  
30 paragraph.

31                                   DIVISION IV

32                                   EMPLOYER CHILD CARE TAX CREDIT

33     Sec. 21. NEW SECTION. **237A.31 Employer child care tax**  
34 **credit.**

35     1. The taxes imposed under chapter 422, subchapter II or

1 III, the franchise tax imposed under chapter 422, subchapter  
2 V, the gross premiums tax under chapter 432, or the moneys and  
3 credits tax imposed under section 533.329 shall be reduced  
4 by an employer child care tax credit equal to the amount of  
5 the federal employer-provided child care tax credit provided  
6 in section 45F of the Internal Revenue Code the taxpayer was  
7 eligible for in the same tax year.

8 2. Any credit in excess of the tax liability is not  
9 refundable but the excess for the tax year may be credited  
10 to the tax liability for the following five years or until  
11 depleted, whichever is earlier.

12 3. a. The aggregate amount of tax credits authorized  
13 pursuant to this section shall not exceed an aggregate limit of  
14 two million dollars annually.

15 b. To receive a tax credit, a taxpayer must submit an  
16 application to the economic development authority in the form  
17 and manner prescribed by the authority by rule. The economic  
18 development authority shall issue certificates under this  
19 section on a first-come, first-served basis, which certificates  
20 may be redeemed for tax credits. The economic development  
21 authority shall issue such certificates so that not more than  
22 the amount authorized for such tax credits under paragraph "a"  
23 may be claimed.

24 4. The department of revenue, in consultation with the  
25 economic development authority, shall adopt rules pursuant to  
26 chapter 17A to administer this section.

27 Sec. 22. NEW SECTION. **422.120 Employer child care tax**  
28 **credit.**

29 1. The taxes imposed under this subchapter, less the credits  
30 allowed under section 422.12, shall be reduced by an employer  
31 child care tax credit allowed pursuant to section 237A.31.

32 2. An individual may claim the tax credit allowed a  
33 partnership, S corporation, limited liability company, estate,  
34 or trust electing to have the income taxed directly to the  
35 individual. The amount claimed by the individual shall be

1 based upon the pro rata share of the individual's earnings of a  
2 partnership, S corporation, limited liability company, estate,  
3 or trust.

4 Sec. 23. Section 422.33, Code 2022, is amended by adding the  
5 following new subsection:

6 NEW SUBSECTION. 32. The taxes imposed under this subchapter  
7 shall be reduced by an employer child care tax credit allowed  
8 pursuant to section 237A.31.

9 Sec. 24. Section 422.60, Code 2022, is amended by adding the  
10 following new subsection:

11 NEW SUBSECTION. 15. The taxes imposed under this division  
12 shall be reduced by an employer child care tax credit allowed  
13 pursuant to section 237A.31.

14 Sec. 25. NEW SECTION. 432.120 **Employer child care tax**  
15 **credit.**

16 The taxes imposed under this chapter shall be reduced by  
17 an employer child care tax credit allowed pursuant to section  
18 237A.31.

19 Sec. 26. Section 533.329, subsection 2, Code 2022, is  
20 amended by adding the following new paragraph:

21 NEW PARAGRAPH. *m.* The moneys and credits tax imposed under  
22 this section shall be reduced by an employer child care tax  
23 credit allowed pursuant to section 237A.31.

24 Sec. 27. **APPLICABILITY.** This division of this Act applies  
25 to tax years beginning on or after January 1, 2023.

26 **DIVISION V**

27 **HOUSING RENEWAL PILOT PROGRAM**

28 Sec. 28. **HOUSING RENEWAL PILOT PROGRAM.**

29 1. For purposes of this section, "nonprofit Iowa affiliate"  
30 means a nonprofit Iowa affiliate of a nonprofit international  
31 organization whose primary activity is the promotion of the  
32 construction, remodeling, or rehabilitation of one-family or  
33 two-family dwellings for use by low-income families.

34 2. a. A housing renewal program fund is created in the  
35 state treasury under the control of the Iowa finance authority.



1 The fund shall consist of moneys appropriated to or deposited  
2 in the fund. Moneys in the fund are appropriated to the  
3 authority to establish and administer a housing renewal pilot  
4 program.

5 b. For the fiscal year beginning July 1, 2022, and ending  
6 June 30, 2023, there is appropriated from the general fund  
7 of the state to the Iowa finance authority one million five  
8 hundred thousand dollars for deposit in the housing renewal  
9 program fund.

10 c. Notwithstanding section 12C.7, subsection 2, interest or  
11 earnings on moneys in the housing renewal program fund shall be  
12 credited to the fund. Payment of interest, recaptures of grant  
13 awards, and other repayments under the housing renewal pilot  
14 program shall be deposited in the fund.

15 3. a. The Iowa finance authority shall provide moneys from  
16 the housing renewal program fund to a nonprofit Iowa affiliate  
17 that shall use the moneys to award grants under the housing  
18 renewal pilot program to eligible participants in Mason City,  
19 Waterloo, Des Moines, the region twelve council of governments,  
20 and the southeast Iowa regional planning commission.

21 b. Eligible participants under paragraph "a" shall use  
22 a grant awarded under the housing renewal pilot program only  
23 for purposes of the acquisition, rehabilitation, and resale of  
24 ownership units; the acquisition and demolition of blighted  
25 structures; and the redevelopment of ownership units.

26 4. Twenty-five percent of moneys appropriated to the  
27 housing renewal program fund shall be allocated to rural  
28 communities in the eighty-eight least populated counties in the  
29 state.

30 5. a. The nonprofit Iowa affiliate may partner with a city,  
31 a county, a consortium of local governments, or an organization  
32 exempt from taxation pursuant to section 501(c)(3) of the  
33 Internal Revenue Code; however, the nonprofit Iowa affiliate  
34 shall determine the geographic location of all projects for  
35 which a grant is awarded.

1 b. The nonprofit Iowa affiliate shall not award a grantee  
2 more than one hundred thousand dollars per ownership unit. A  
3 grantee may use up to ten percent of a grant for administration  
4 expenses related to the grantee's project.

5 c. (1) A grantee shall have thirty-six months from the date  
6 a contract is executed between the nonprofit Iowa affiliate and  
7 the grantee for the grantee's project. The grantee's project  
8 shall be considered complete when all grant funds awarded to  
9 the grantee have been expended, and all ownership units that  
10 are covered by the contract are finished and available for  
11 sale.

12 (2) If a grantee has no project activity within thirty-six  
13 months from the date a contract is executed between the  
14 nonprofit Iowa affiliate and the grantee, the grant award shall  
15 be returned to the Iowa finance authority for deposit in the  
16 housing renewal program fund.

17 d. A grantee shall sell each completed ownership unit  
18 to a homebuyer whose income is under the one hundred twenty  
19 percent area median income and who must occupy the ownership  
20 unit as the homebuyer's primary residence. The deed to the  
21 ownership unit must contain a restrictive resale requirement  
22 that prohibits the homebuyer or a subsequent owner from selling  
23 the ownership unit to a person with an income above the one  
24 hundred twenty percent area median income for five calendar  
25 years from the date the grantee sold the ownership unit to the  
26 first homebuyer whose income is under the one hundred twenty  
27 percent area median income.

28 6. A grantee may use income generated from the sale of an  
29 ownership unit only for the purpose of additional eligible  
30 expenses under the housing renewal pilot program.

31 7. The Iowa finance authority shall not use more than five  
32 percent of moneys allocated to the housing renewal program fund  
33 for administration and oversight of the housing renewal pilot  
34 program.

35 8. The Iowa finance authority shall adopt rules pursuant to

1 chapter 17A to administer this division.

2 9. The Iowa finance authority, in coordination with  
3 the nonprofit Iowa affiliate, shall submit a report to the  
4 general assembly on or before December 31, 2023, describing  
5 the community, economic, and financial impact of the housing  
6 renewal pilot program.

7 EXPLANATION

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

10 This bill is organized by divisions.

11 Division I of the bill appropriates moneys for the fiscal  
12 year 2022-2023 from the general fund of the state to the  
13 department of cultural affairs, the economic development  
14 authority, the Iowa finance authority, the public employment  
15 relations board, the department of workforce development,  
16 Iowa state university of science and technology, the state  
17 university of Iowa, and the university of northern Iowa. The  
18 division appropriates moneys for fiscal year 2022-2023 from the  
19 general fund of the state to the economic development authority  
20 for support of the butchery innovation and revitalization  
21 program, for deposit in the community attraction and tourism  
22 fund, and for broadband forward and telecommuter forward  
23 certifications.

24 The division appropriates moneys for the fiscal year  
25 2022-2023 from the Iowa skilled worker and job creation fund  
26 created in Code section 8.75 to the economic development  
27 authority, the department of workforce development, and the  
28 state board of regents and institutions under the control of  
29 the board.

30 For the fiscal year 2022-2023, the division limits standing  
31 appropriations established in the Code for the world food  
32 prize, certain operational support grants, community cultural  
33 grants, and regional tourism marketing.

34 The division transfers \$100,000 of the moneys collected  
35 by the insurance division in excess of the anticipated gross

1 revenues under Code section 505.7 to the economic development  
2 authority.

3 The division appropriates moneys for the fiscal year  
4 2022-2023 from the special employment security contingency fund  
5 to the department of workforce development.

6 The division appropriates interest earned on the  
7 unemployment compensation reserve fund for the fiscal year  
8 2022-2023 to the department of workforce development.

9 Moneys credited to the state by the secretary of treasury  
10 of the United States pursuant to section 903 of the Social  
11 Security Act are appropriated to the department of workforce  
12 development.

13 The auditor of state is requested to review the audit of the  
14 Iowa finance authority performed by the auditor hired by the  
15 authority.

16 The division requires the economic development authority to  
17 submit an annual report to the general assembly by November 1,  
18 2022, detailing all financial assistance awarded in the prior  
19 fiscal year.

20 Division II of the bill appropriates moneys for fiscal year  
21 2022-2023 from the general fund of the state to the economic  
22 development authority for support of the dairy processing  
23 and milk production innovation and revitalization program.  
24 The contingent effective date for the appropriation is the  
25 effective date of 2022 Iowa Acts, House File 2433, or successor  
26 legislation, if enacted.

27 Division III reduces the tax credits allocated to the high  
28 quality jobs program from no more than \$70 million to no more  
29 than \$68 million for the fiscal year beginning July 1, 2022,  
30 and for each fiscal year thereafter.

31 Division IV creates an employer child tax credit for tax  
32 years beginning on or after January 1, 2023.

33 Division V creates a housing renewal program fund in the  
34 state treasury under the control of the Iowa finance authority.  
35 Moneys in the fund are appropriated to the authority to

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- 1 establish and administer the housing renewal pilot program
- 2 described in the division.