

**House File 725 - Introduced**

HOUSE FILE 725

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HSB 249)

**A BILL FOR**

1 An Act relating to and making appropriations for the economic  
2 development of the state, including to the economic  
3 development authority, the Iowa finance authority, the  
4 public employment relations board, the department of  
5 workforce development, and the state board of regents and  
6 certain regents institutions, and by modifying provisions  
7 relating to the pathways for academic career and employment  
8 program, the apprenticeship training program, and new jobs  
9 training agreements.  
10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

FY 2023-2024 APPROPRIATIONS

Section 1. GOALS AND ACCOUNTABILITY — ECONOMIC DEVELOPMENT.

1. For the fiscal year beginning July 1, 2023, the goals for the economic development authority shall be to expand and stimulate the state economy, increase the wealth of Iowans, and increase the population of the state.

2. To achieve the goals in subsection 1, the economic development authority shall do all of the following for the fiscal year beginning July 1, 2023:

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

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

c. Ensure economic growth and development throughout the state.

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

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

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

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

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

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

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

7 Sec. 2. ECONOMIC DEVELOPMENT AUTHORITY.

8 1. APPROPRIATION

9 a. There is appropriated from the general fund of the state  
10 to the economic development authority for the fiscal year  
11 beginning July 1, 2023, and ending June 30, 2024, the following  
12 amount, or so much thereof as is necessary, to be used for the  
13 purposes designated in this subsection, and for not more than  
14 the following full-time equivalent positions:

15 .....	\$ 12,807,359
16 .....	FTEs 111.35

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

22 (2) For business development operations and programs,  
23 international trade, export assistance, workforce recruitment,  
24 and the partner state program.

25 (3) For transfer to a fund created pursuant to section  
26 15.313 for purposes of financing strategic infrastructure  
27 projects.

28 (4) For community economic development programs, tourism  
29 operations, community assistance, plans for Iowa green corps  
30 and summer youth programs, the main street and rural main  
31 street programs, the school-to-career program, the community  
32 development block grant, and housing and shelter-related  
33 programs.

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

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

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

10 2. FINANCIAL ASSISTANCE RESTRICTIONS

11 a. A business creating jobs through moneys appropriated in  
12 subsection 1 shall be subject to contract provisions requiring  
13 new and retained jobs to be filled by individuals who are  
14 citizens of the United States who reside within the United  
15 States, or any person authorized to work in the United States  
16 pursuant to federal law, including legal resident aliens  
17 residing in the United States.

18 b. Any vendor who receives moneys appropriated in  
19 subsection 1 shall adhere to such contract provisions and  
20 provide periodic assurances as the state shall require that the  
21 jobs are filled solely by citizens of the United States who  
22 reside within the United States, or any person authorized to  
23 work in the United States, pursuant to federal law, including  
24 legal resident aliens residing in the United States.

25 c. A business that receives financial assistance from  
26 the authority from moneys appropriated in subsection 1 shall  
27 only employ individuals legally authorized to work in this  
28 state. In addition to all other applicable penalties provided  
29 by current law, all or a portion of the assistance received  
30 by a business which is found to knowingly employ individuals  
31 not legally authorized to work in this state is subject to  
32 recapture by the authority.

33 3. USES OF APPROPRIATIONS

34 a. From the moneys appropriated in subsection 1, the  
35 authority may provide financial assistance in the form of a

1 grant to a community economic development entity for conducting  
2 a local workforce recruitment effort designed to recruit former  
3 citizens of the state and former students at colleges and  
4 universities in the state to meet the needs of local employers.

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

8 c. From the moneys appropriated in subsection 1, the  
9 authority may provide financial assistance in the form of  
10 grants, loans, or forgivable loans for advanced research and  
11 commercialization projects involving value-added agriculture,  
12 advanced technology, or biotechnology.

13 d. The authority shall not use any moneys appropriated in  
14 subsection 1 for purposes of providing financial assistance for  
15 the Iowa green streets pilot project or for any other program  
16 or project that involves the installation of geothermal systems  
17 for melting snow and ice from streets or sidewalks.

18 4. WORLD FOOD PRIZE

19 In lieu of the standing appropriation in [section 15.368](#),  
20 there is appropriated from the general fund of the state to the  
21 economic development authority for the fiscal year beginning  
22 July 1, 2023, and ending June 30, 2024, the following amount  
23 for the world food prize:

24 ..... \$ 500,000

25 5. COUNCILS OF GOVERNMENTS — ASSISTANCE

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, 2023, and ending June 30, 2024, the following  
29 amount to be used for the purposes of providing financial  
30 assistance to Iowa’s councils of governments:

31 ..... \$ 250,000

32 6. BUTCHERY INNOVATION AND REVITALIZATION PROGRAM

33 a. There is appropriated from the general fund of the state  
34 to the economic development authority for the fiscal year  
35 beginning July 1, 2023, and ending June 30, 2024, the following

1 amount, or so much thereof as is necessary, to be used for the  
2 purposes designated:

3 For support of the butchery innovation and revitalization  
4 program established in [section 15E.370](#):

5 ..... \$ 633,325

6 b. There is appropriated from the Iowa skilled worker and  
7 job creation fund created in [section 8.75](#) to the economic  
8 development authority for the fiscal year beginning July 1,  
9 2023, and ending June 30, 2024, the following amount, or so  
10 much thereof as is necessary, to be used for the purposes  
11 designated:

12 For support of the butchery innovation and revitalization  
13 program established in [section 15E.370](#):

14 ..... \$ 366,675

15 7. TOURISM OFFICE

16 a. There is appropriated from the general fund of the state  
17 to the economic development authority for the fiscal year  
18 beginning July 1, 2023, and ending June 30, 2024, the following  
19 amount for the tourism office to be used for advertising,  
20 promoting, placement, and implementation of the economic  
21 development authority's strategic plan for tourism and travel:

22 ..... \$ 1,100,000

23 b. Notwithstanding [section 8.33](#), moneys appropriated in  
24 this subsection that remain unencumbered or unobligated at the  
25 close of the fiscal year shall not revert but shall remain  
26 available for expenditure for the purposes designated until the  
27 close of the succeeding fiscal year.

28 c. The economic development authority shall submit an  
29 annual report on or before January 15 to the general assembly  
30 regarding the tourism office's activities funded with moneys  
31 appropriated under this subsection. The report shall be  
32 provided in an electronic format and shall include metrics  
33 and criteria that allow the general assembly to quantify  
34 and evaluate the effectiveness and economic impact of the  
35 tourism office's activities related to advertising, promoting,

1 placement, and implementation of the economic development  
2 authority's strategic plan for tourism and travel.

3 8. EMPOWER RURAL IOWA

4 a. There is appropriated from the Iowa skilled worker and  
5 job creation fund created in section 8.75 to the economic  
6 development authority for the fiscal year beginning July 1,  
7 2023, and ending June 30, 2024, the following amount, or so  
8 much thereof as is necessary, to be used for the purposes  
9 designated:

10 Empower rural Iowa program:

11 ..... \$ 700,000

12 b. 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 until the  
16 close of the succeeding fiscal year.

17 c. The authority shall adopt rules pursuant to chapter  
18 17A to establish criteria for the distribution of the moneys  
19 appropriated in this subsection.

20 9. CULTURAL AFFAIRS ACTIVITIES

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, 2023, and ending June 30, 2024, the following  
24 amounts, or so much thereof as is necessary, to be used for the  
25 purposes designated:

26 (1) For planning and programming for the community cultural  
27 grants program established under section 303.3, as amended by  
28 2023 Iowa Acts, Senate File 514:

29 ..... \$ 172,090

30 (2) For support of the Iowa arts council:

31 ..... \$ 1,400,000

32 Of the moneys appropriated in this subparagraph, the  
33 authority shall allocate \$300,000 for purposes of the film  
34 office.

35 (3) For the Iowa great places program established under

1 section 303.3C, as amended by 2023 Iowa Acts, Senate File 514:  
2 ..... \$ 149,710

3 (4) For grant programs administered by the Iowa arts  
4 council including those programs supporting the long-term  
5 financial stability and sustainability of nonprofit cultural  
6 organizations:

7 ..... \$ 150,000

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

13 Sec. 3. LIMITATIONS OF STANDING APPROPRIATIONS — FY  
14 2023-2024. Notwithstanding the standing appropriations  
15 in the following designated sections for the fiscal year  
16 beginning July 1, 2023, and ending June 30, 2024, the amounts  
17 appropriated from the general fund of the state pursuant to  
18 those sections for the following purposes shall not exceed the  
19 following amounts:

20 1. For operational support grants and community cultural  
21 grants under [section 99F.11, subsection 4](#), paragraph "d",  
22 subparagraph (1):

23 ..... \$ 448,403

24 2. For the purposes of regional tourism marketing under  
25 [section 99F.11, subsection 4](#), paragraph "d", subparagraph (2):

26 ..... \$ 1,443,700

27 Sec. 4. FINANCIAL ASSISTANCE REPORTING — ECONOMIC  
28 DEVELOPMENT AUTHORITY. The economic development authority  
29 shall submit an annual report to the general assembly no later  
30 than November 1, 2023, that details the amount of every direct  
31 loan, forgivable loan, tax credit, tax exemption, tax refund,  
32 grant, or any other financial assistance awarded to a person  
33 during the prior fiscal year by the authority under an economic  
34 development program administered by the authority. The report  
35 shall identify the county where the project associated with



1 each such award is located.

2 Sec. 5. INSURANCE ECONOMIC DEVELOPMENT. From the  
3 moneys collected by the insurance division in excess of the  
4 anticipated gross revenues under section 505.7, subsection  
5 3, during the fiscal year beginning July 1, 2023, \$100,000  
6 shall be transferred to the economic development authority for  
7 insurance economic development and international insurance  
8 economic development.

9 Sec. 6. IOWA FINANCE AUTHORITY.

10 1. There is appropriated from the general fund of the state  
11 to the Iowa finance authority for the fiscal year beginning  
12 July 1, 2023, and ending June 30, 2024, the following amounts,  
13 or so much thereof as is necessary, to be used for the purposes  
14 designated:

15 a. Rent subsidy program

16 (1) To provide reimbursement for rent expenses to eligible  
17 persons under the home and community-based services rent  
18 subsidy program established in [section 16.55](#):

19 ..... \$ 873,000

20 (2) Of the moneys appropriated in this paragraph, not more  
21 than \$35,000 may be used for administrative costs.

22 b. Housing renewal pilot program

23 To provide housing renewal moneys to a nonprofit Iowa  
24 affiliate to award grants to eligible communities for a housing  
25 renewal pilot program:

26 ..... \$ 500,000

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

32 Sec. 7. IOWA FINANCE AUTHORITY AUDIT. The auditor of state  
33 is requested to review the audit of the Iowa finance authority  
34 performed by the auditor hired by the authority.

35 Sec. 8. PUBLIC EMPLOYMENT RELATIONS BOARD.

1 1. There is appropriated from the general fund of the state  
2 to the public employment relations board for the fiscal year  
3 beginning July 1, 2023, and ending June 30, 2024, the following  
4 amount, or so much thereof as is necessary, to be used for the  
5 purposes designated:

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

9 .....	\$	1,290,230
10 .....	FTEs	9.00

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

15 Sec. 9. DEPARTMENT OF WORKFORCE DEVELOPMENT. There  
16 is appropriated from the general fund of the state to the  
17 department of workforce development for the fiscal year  
18 beginning July 1, 2023, and ending June 30, 2024, the following  
19 amounts, or so much thereof as is necessary, to be used for the  
20 purposes designated:

21 1. WORKFORCE DEVELOPMENT OPERATIONS

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

25 .....	\$	6,801,205
26 .....	FTEs	169.41

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

32 2. OFFENDER REENTRY PROGRAM

33 a. For the development and administration of an offender  
34 reentry program to provide offenders with employment skills,  
35 and for not more than the following full-time equivalent

1 positions:

2 .....	\$	387,158
3 .....	FTEs	5.00

4 b. The department of workforce development shall partner  
5 with the department of corrections to provide staff within  
6 the correctional facilities resources to improve offenders'  
7 abilities to find and retain productive employment.

8 3. INTEGRATED INFORMATION FOR IOWA SYSTEM

9 For the payment of services provided by the department of  
10 administrative services related to the integrated information  
11 for Iowa system:

12 .....	\$	228,822
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13 4. SUMMER YOUTH INTERN PILOT PROGRAM

14 For the funding of a summer youth intern pilot program that  
15 will help young people at risk of not graduating from high  
16 school to explore and prepare for high-demand careers through  
17 summer work experience, including the development of soft  
18 skills:

19 .....	\$	250,000
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20 5. VOCATIONAL REHABILITATION SERVICES DIVISION

21 a. For salaries, support, maintenance, and miscellaneous  
22 purposes, and for not more than the following full-time  
23 equivalent positions:

24 .....	\$	6,106,732
25 .....	FTEs	248.00

26 For purposes of optimizing the job placement of individuals  
27 with disabilities, the division shall make its best efforts  
28 to work with community rehabilitation program providers for  
29 job placement and retention services for individuals with  
30 significant disabilities and most significant disabilities. By  
31 January 15, 2024, the division shall submit a written report to  
32 the general assembly regarding the division's outreach efforts  
33 with community rehabilitation program providers.

34 b. For matching moneys for programs to enable persons  
35 with severe physical or mental disabilities to function more

1 independently, including salaries and support, and for not more  
2 than the following full-time equivalent positions:

3 ..... \$ 84,804  
4 ..... FTEs 1.00

5 c. For the entrepreneurs with disabilities program  
6 established pursuant to section 259.4, as amended by 2023 Iowa  
7 Acts, Senate File 514:

8 ..... \$ 138,506

9 d. For costs associated with centers for independent  
10 living:

11 ..... \$ 86,457

12 6. ADULT EDUCATION AND LITERACY PROGRAMS

13 For distribution as grants to community colleges for  
14 the purpose of adult basic education programs for students  
15 requiring instruction in English as a second language:

16 ..... \$ 500,000

17 In issuing grants under this subsection, the department of  
18 workforce development shall use the same application process  
19 and criteria as are used for purposes of awarding grants to  
20 community colleges for the purpose of adult basic education  
21 programs for students requiring instruction in English as a  
22 second language using moneys that are appropriated to the  
23 department from the Iowa skilled worker and job creation fund.

24 7. FUTURE READY IOWA REGISTERED APPRENTICESHIP DEVELOPMENT  
25 PROGRAM

26 For the funding of the future ready Iowa registered  
27 apprenticeship development program under chapter 15C, as  
28 amended by 2023 Iowa Acts, Senate File 514, to encourage  
29 small to midsize businesses to start or grow registered  
30 apprenticeships:

31 ..... \$ 760,000

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. 10. 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, 2023, and ending June 30, 2024, 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	3.00

13 Sec. 11. SPECIAL EMPLOYMENT SECURITY CONTINGENCY FUND.

14 1. There is appropriated from the special employment  
15 security contingency fund created in section 96.13 to the  
16 department of workforce development for the fiscal year  
17 beginning July 1, 2023, and ending June 30, 2024, the following  
18 amount, or so much thereof as is necessary, to be used for  
19 field offices:

20 .....	\$	2,416,084
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21 2. Any remaining additional penalty and interest revenue  
22 collected by the department of workforce development is  
23 appropriated to the department for the fiscal year beginning  
24 July 1, 2023, and ending June 30, 2024, to accomplish the  
25 mission of the department.

26 Sec. 12. UNEMPLOYMENT COMPENSATION RESERVE FUND — FIELD  
27 OFFICES. Notwithstanding [section 96.9, subsection 8](#), paragraph  
28 "e", there is appropriated from interest earned on the  
29 unemployment compensation reserve fund created in section 96.9  
30 to the department of workforce development for the fiscal year  
31 beginning July 1, 2023, and ending June 30, 2024, the following  
32 amount, or so much thereof as is necessary, to be used for the  
33 purposes designated:

34 For the operation of field offices:		
35 .....	\$	2,200,000

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

5     Sec. 14. UNEMPLOYMENT COMPENSATION PROGRAM.

6     1. Notwithstanding [section 96.9, subsection 4](#), paragraph  
7 "a", moneys credited to the state by the secretary of the  
8 treasury of the United States pursuant to section 903 of the  
9 federal Social Security Act are appropriated to the department  
10 of workforce development and shall be used by the department  
11 for the administration of the unemployment compensation program  
12 only. This appropriation shall not apply to any fiscal year  
13 beginning after December 31, 2023.

14     2. Notwithstanding subsection 1, up to \$800,000, or  
15 so much thereof as may be necessary, of the unemployment  
16 compensation modernization incentive payments made to the  
17 state's unemployment trust fund account as a special transfer  
18 under section 903 of the federal Social Security Act, pursuant  
19 to the federal Assistance for Unemployed Workers and Struggling  
20 Families Act, of the American Recovery and Reinvestment Act of  
21 2009, Pub. L. No. 111-5, are appropriated to the department of  
22 workforce development for the fiscal year beginning July 1,  
23 2023, and ending June 30, 2024, for the purpose of modification  
24 of space for unemployment insurance administrative law judge  
25 offices and conference rooms in which to hold unemployment  
26 insurance appeal hearings.

27     Sec. 15. IOWA SKILLED WORKER AND JOB CREATION FUND.

28     1. There is appropriated from the Iowa skilled worker and  
29 job creation fund created in [section 8.75](#) to the following  
30 departments, agencies, and institutions for the fiscal year  
31 beginning July 1, 2023, and ending June 30, 2024, the following  
32 amounts, or so much thereof as is necessary, to be used for the  
33 purposes designated:

34     a. ECONOMIC DEVELOPMENT AUTHORITY

35     (1) For the purposes of providing assistance as described in

1 section 15.335B for the high quality jobs program:

2 ..... \$ 11,700,000

3 From the moneys appropriated in this subparagraph, the  
4 economic development authority may use not more than \$1,000,000  
5 for purposes of providing infrastructure grants to main street  
6 communities under the main street Iowa program and may allocate  
7 not more than \$300,000 for the purposes of supporting statewide  
8 worker education and quality preapprenticeship programs.

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

13 b. STATE BOARD OF REGENTS AND REGENTS INSTITUTIONS

14 (1) STATE BOARD OF REGENTS. For capacity building  
15 infrastructure in areas related to technology  
16 commercialization, marketing and business development  
17 efforts in areas related to technology commercialization,  
18 entrepreneurship, and business growth, and infrastructure  
19 projects and programs needed to assist in implementation of  
20 activities under [chapter 262B](#):

21 ..... \$ 3,000,000

22 (a) Of the moneys appropriated pursuant to this  
23 subparagraph (1), 35 percent shall be allocated for Iowa state  
24 university of science and technology, 35 percent shall be  
25 allocated for the state university of Iowa, and 30 percent  
26 shall be allocated for the university of northern Iowa.

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

30 (c) The state board of regents shall submit a report by  
31 January 15, 2024, to the governor and the general assembly  
32 regarding the activities, projects, and programs funded with  
33 moneys appropriated under this subparagraph (1). The report  
34 shall be provided in an electronic format and shall include a  
35 list of metrics and criteria mutually agreed to in advance by

1 the board of regents and the economic development authority.  
2 The metrics and criteria shall allow the governor's office and  
3 the general assembly to quantify and evaluate the progress  
4 of the board of regents institutions with regard to their  
5 activities, projects, and programs in the areas of technology  
6 commercialization, entrepreneurship, regional development, and  
7 market research.

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

12 .....	\$	2,424,302
13 .....	FTEs	50.95

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

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

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

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

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



1 contract research or for nondirected research shall be \$1  
2 for each \$3 of state funds. The match required for other  
3 businesses for directed contract research or for nondirected  
4 research shall be \$1 for each \$1 of state funds. The match  
5 required of industrial foundations or trade associations shall  
6 be \$1 for each \$1 of state funds.

7 (d) Iowa state university of science and technology shall  
8 report annually to the general assembly the total amount of  
9 private contributions, the proportion of contributions from  
10 small businesses and other businesses, and the proportion for  
11 directed contract research and nondirected research of benefit  
12 to Iowa businesses and industrial sectors.

13 (3) STATE UNIVERSITY OF IOWA.

14 (a) For the state university of Iowa research park and for  
15 university of Iowa pharmaceuticals located at the research  
16 park, including salaries, support, maintenance, equipment, and  
17 miscellaneous purposes, and for not more than the following  
18 full-time equivalent positions:

19 .....	\$	209,279
20 .....	FTEs	6.00

21 The state university of Iowa shall do all of the 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 (b) For the purpose of implementing the entrepreneurship  
27 and economic growth initiative, and for not more than the  
28 following full-time equivalent positions:

29 .....	\$	2,000,000
30 .....	FTEs	8.00

31 (4) UNIVERSITY OF NORTHERN IOWA. For the metal casting and  
32 foundry 4.0 centers, advance Iowa, family business center, and  
33 the institute for decision making, including salaries, support,  
34 maintenance, and miscellaneous purposes, and for not more than  
35 the following full-time equivalent positions:

1 ..... \$ 1,466,419

2 ..... FTEs 13.00

3 The university of northern Iowa shall do all of the  
4 following:

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

7 (b) Provide emphasis to providing services to Iowa-based  
8 companies.

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

13 c. DEPARTMENT OF WORKFORCE DEVELOPMENT

14 (1) To develop a long-term sustained program to train  
15 unemployed and underemployed central Iowans with skills  
16 necessary to advance to higher-paying jobs with full benefits:

17 ..... \$ 100,000

18 (a) The department of workforce development shall begin  
19 a request for proposals process, issued for purposes of this  
20 subparagraph (1), no later than September 1, 2023.

21 (b) As a condition of receiving moneys appropriated under  
22 this subparagraph (1), an entity shall testify upon the  
23 request of the joint appropriations subcommittee on economic  
24 development regarding the expenditure of such moneys.

25 (2) For the funding of a future ready Iowa coordinator in  
26 the department, and for not more than the following full-time  
27 equivalent positions:

28 ..... \$ 150,000

29 ..... FTEs 1.00

30 (3) For distribution to community colleges for the purposes  
31 of implementing adult education and literacy programs pursuant  
32 to section 84A.19, as enacted by 2023 Iowa Acts, Senate File  
33 514:

34 ..... \$ 5,500,000

35 (a) From the moneys appropriated in this numbered

1 subparagraph, \$3,883,000 shall be allocated pursuant to the  
2 formula established in section 260C.18C.

3 (b) From the moneys appropriated in this numbered  
4 subparagraph, not more than \$150,000 shall be used by the  
5 department of workforce development for implementation of adult  
6 education and literacy programs pursuant to section 84A.19, as  
7 enacted by 2023 Iowa Acts, Senate File 514.

8 (c) From the moneys appropriated in this numbered  
9 subparagraph, not more than \$1,257,000 shall be distributed  
10 as grants to community colleges for the purpose of adult  
11 basic education programs for students requiring instruction  
12 in English as a second language. The department of workforce  
13 development shall establish an application process and criteria  
14 to award grants pursuant to this subparagraph division to  
15 community colleges. The criteria shall be based on need for  
16 instruction in English as a second language in the region  
17 served by each community college as determined by factors  
18 including data from the latest federal decennial census and  
19 outreach efforts to determine regional needs.

20 (d) From the moneys appropriated in this numbered  
21 subparagraph, \$210,000 shall be transferred to the department  
22 of health and human services for purposes of administering a  
23 program to provide access to international resources to Iowans  
24 and new Iowans to provide economic and leadership development  
25 resulting in Iowa being a more inclusive and welcoming place  
26 to live, work, and raise a family. The program shall provide  
27 supplemental support services for international refugees to  
28 improve learning, English literacy, life skills, cultural  
29 competencies, and integration in a county with a population  
30 over 350,000 as determined by the 2020 federal decennial  
31 census. The department of health and human services shall  
32 utilize a request for proposals process to identify the entity  
33 best qualified to implement the program.

34 (4) For deposit in the statewide work-based learning  
35 intermediary network fund created pursuant to section 256.40,

1 as amended by 2023 Iowa Acts, Senate File 514:  
2 ..... \$ 1,500,000

3 From the moneys appropriated in this numbered subparagraph,  
4 not more than \$50,000 shall be used by the department of  
5 workforce development to provide statewide support for  
6 work-based learning.

7 (5) For the funding of internships for students studying in  
8 the fields of science, technology, engineering, and mathematics  
9 with eligible Iowa employers as provided in section 15.411,  
10 subsection 3, paragraph "c":

11 ..... \$ 633,325

12 2. Notwithstanding section 8.33, moneys appropriated in  
13 this section 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 until the  
16 close of the succeeding fiscal year.

17 Sec. 16. GENERAL FUND — CERTAIN REGENTS INSTITUTIONS.

18 1. There is appropriated from the general fund of the state  
19 to the following institutions for the fiscal year beginning  
20 July 1, 2023, and ending June 30, 2024, the following amounts,  
21 or so much thereof as is necessary, to be used for the purposes  
22 designated:

23 a. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

24 In cooperation with the economic development authority, for  
25 support of a biosciences innovation ecosystem, to strengthen  
26 Iowa's leadership positions in the area of bio-based chemicals,  
27 digital agriculture, vaccines, and medical devices, including  
28 salaries, support, maintenance, and miscellaneous purposes, and  
29 for not more than the following full-time equivalent positions:  
30 ..... \$ 2,963,995  
31 ..... FTEs 8.40

32 b. STATE UNIVERSITY OF IOWA

33 In cooperation with the economic development authority, for  
34 support of a biosciences innovation ecosystem, to strengthen  
35 Iowa's leadership positions in the area of bio-based chemicals,

1 digital agriculture, vaccines, and medical devices, including  
 2 salaries, support, maintenance, and miscellaneous purposes, and  
 3 for not more than the following full-time equivalent positions:  
 4 ..... \$ 1,000,000  
 5 ..... FTEs 4.35

6 c. UNIVERSITY OF NORTHERN IOWA

7 For equipment and technology to expand the university's  
 8 additive manufacturing capabilities related to investment  
 9 castings technology and industry support, including salaries,  
 10 support, maintenance, and miscellaneous purposes, and for not  
 11 more than the following full-time equivalent positions:  
 12 ..... \$ 394,321  
 13 ..... FTEs 2.73

14 The university of northern Iowa shall make a good-faith  
 15 effort to coordinate with private entities to seek moneys to  
 16 supplement this appropriation to support the expansion of the  
 17 university's additive manufacturing capabilities.

18 2. Notwithstanding [section 8.33](#), moneys appropriated in  
 19 subsection 1, paragraphs "a" and "b", that remain unencumbered  
 20 or unobligated at the close of the fiscal year shall not revert  
 21 but shall remain available for expenditure for the purposes  
 22 designated until the close of the succeeding fiscal year.

23 DIVISION II

24 FY 2022-2023 — FUTURE READY IOWA VOLUNTEER MENTORING PROGRAM  
 25 Sec. 17. 2022 Iowa Acts, chapter 1148, section 3, subsection  
 26 11, is amended to read as follows:

27 11. FUTURE READY IOWA — VOLUNTEER MENTORING PROGRAM

28 a. There is appropriated from the Iowa skilled worker and  
 29 job creation fund created in [section 8.75](#) to the economic  
 30 development authority for the fiscal year beginning July 1,  
 31 2022, and ending June 30, 2023, the following amount, or so  
 32 much thereof as is necessary, to be used for the purposes  
 33 designated:

34 For allocation to the Iowa commission on volunteer services  
 35 to be used for establishing a volunteer mentor program to

1 support implementation of the future ready Iowa skilled  
2 workforce last-dollar scholarship program in [section 261.131](#)  
3 and the future ready Iowa skilled workforce grant program  
4 created in [section 261.132](#), and for not more than the following  
5 full-time equivalent positions:

6 .....	\$	400,000
7 .....	FTEs	1.15

8 b. Notwithstanding [section 8.33](#), moneys appropriated in  
9 this subsection that remain unencumbered or unobligated at the  
10 close of the fiscal year shall not revert but shall remain  
11 available for expenditure for the purposes designated, and for  
12 not more than the authorized full-time equivalent positions,  
13 until the close of the succeeding fiscal year.

14 DIVISION III

15 PATHWAYS FOR ACADEMIC CAREER AND EMPLOYMENT PROGRAM — RULES

16 Sec. 18. Section 260H.8, Code 2023, as amended by 2023  
17 Iowa Acts, Senate File 514, section 2196, is amended to read  
18 as follows:

19 **260H.8 Rules.**

20 The department of ~~education~~ workforce development, in  
21 consultation with the community colleges, the economic  
22 development authority, and the department of ~~workforce~~  
23 ~~development~~ education, shall adopt rules pursuant to chapter  
24 17A to implement [this chapter](#). Local workforce development  
25 boards established pursuant to [section 84A.4](#) shall be consulted  
26 in the development and implementation of rules adopted pursuant  
27 to [this section](#).

28 DIVISION IV

29 APPRENTICESHIP TRAINING PROGRAM — DEFINITIONS

30 Sec. 19. Section 15B.2, subsection 9A, as enacted by  
31 2023 Iowa Acts, Senate File 514, section 2251, is amended by  
32 striking the subsection.

33 DIVISION V

34 NEW JOBS TRAINING AGREEMENTS

35 Sec. 20. 2015 Iowa Acts, chapter 138, section 8, is amended

1 to read as follows:

2 SEC. 8. IOWA NEW JOBS TRAINING AGREEMENTS. An Iowa  
3 community college that entered into a new jobs training  
4 agreement pursuant to [chapter 260E](#), which was effective in  
5 April ~~2012~~ 2021, with an Iowa employer may enter into a new  
6 agreement with such employer pursuant to [chapter 260E](#), which  
7 will be effective September ~~2015~~ 2023, and may use the base  
8 employment determined in ~~April 2012~~ October 2021 as the base  
9 employment for determining the new jobs eligible under the  
10 new agreement if the base employment determined in ~~April 2012~~  
11 October 2021 was ~~2,125~~ 2,335 employees. The new agreement  
12 under [chapter 260E](#) shall be limited to seven years from the  
13 effective date of the agreement.

14 EXPLANATION

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

17 This bill relates to and makes appropriations for the  
18 economic development of the state.

19 FY 2023-2024 APPROPRIATIONS. The bill appropriates moneys  
20 for FY 2023-2024 from the general fund of the state to the  
21 economic development authority, the Iowa finance authority, the  
22 public employment relations board, the department of workforce  
23 development, Iowa state university of science and technology,  
24 the state university of Iowa, and the university of northern  
25 Iowa.

26 The bill appropriates moneys for FY 2023-2024 from the  
27 Iowa skilled worker and job creation fund to the economic  
28 development authority, the department of workforce development,  
29 and the state board of regents and institutions under the  
30 control of the board.

31 For FY 2023-2024, the bill limits standing appropriations  
32 for the world food prize, certain operational support grants,  
33 community cultural grants, and regional tourism marketing.

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

1 under Code section 505.7 to the economic development authority.

2 The bill appropriates moneys for FY 2023-2024 from the  
3 special employment security contingency fund and interest  
4 earned on the unemployment compensation reserve fund to the  
5 department of workforce development.

6 Moneys credited to the state by the U.S. secretary of  
7 treasury pursuant to section 903 of the federal Social  
8 Security Act are appropriated to the department of workforce  
9 development. Up to \$800,000 of the unemployment compensation  
10 modernization incentive payments made to the state's  
11 unemployment trust fund account as a special transfer under  
12 section 903 of the federal Social Security Act are appropriated  
13 to the department of workforce development for modification  
14 of space for unemployment insurance administrative law judge  
15 offices and conference rooms for unemployment insurance appeal  
16 hearings.

17 The auditor of state is requested to review the audit of the  
18 Iowa finance authority performed by the auditor hired by the  
19 authority.

20 The bill requires the economic development authority, the  
21 vocational rehabilitation services division of the department  
22 of workforce development, the state board of regents, and Iowa  
23 state university of science and technology to submit various  
24 reports to the general assembly.

25 FUTURE READY IOWA VOLUNTEER MENTORING PROGRAM. The bill  
26 authorizes the moneys appropriated to the economic development  
27 authority for the future ready Iowa volunteer mentoring program  
28 in FY 2022-2023 to remain available for use in FY 2023-2024 for  
29 the 1.15 full-time equivalent positions under the program.

30 PATHWAYS FOR ACADEMIC CAREER AND EMPLOYMENT PROGRAM.  
31 The bill requires the department of workforce development,  
32 rather than the department of education, to adopt rules in  
33 consultation with entities designated in the bill for the  
34 pathway for academic career and employment program.

35 APPRENTICESHIP TRAINING PROGRAM. The bill amends Code



1 section 15B.2 to strike the definition for "targeted  
2 industries".

3 NEW JOBS TRAINING AGREEMENTS. The bill authorizes a  
4 community college that entered into a new jobs training  
5 agreement (agreement) that was effective in April 2021 to enter  
6 into a new agreement with the same employer with an effective  
7 date of September 2023. The new jobs eligible under the  
8 agreement are determined as outlined in the bill.