

Senate File 603 - Introduced

SENATE FILE 603
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SF 222)
(SUCCESSOR TO SSB 1068)

(COMPANION TO HF 722 BY COMMITTEE
ON LABOR AND WORKFORCE)

A BILL FOR

1 An Act relating to workforce training, unemployment insurance,
2 and other functions and programs of the department of
3 workforce development, the workforce development board, and
4 local workforce development boards.

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

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DIVISION I

FUNCTIONS OF DEPARTMENT OF WORKFORCE DEVELOPMENT, WORKFORCE
DEVELOPMENT BOARD, AND LOCAL WORKFORCE DEVELOPMENT BOARDS

Section 1. Section 15H.9, subsection 2, Code 2025, is amended
to read as follows:

2. The commission may adopt rules pursuant to chapter 17A
for approving Iowa national service corps programs and national
service positions. Existing programs and service positions,
including those established through the AmeriCorps programs in
Iowa created pursuant to 42 U.S.C. §12501, Senior Corps and
AmeriCorps vista in Iowa created pursuant to 42 U.S.C. §4950 et
seq., the Iowa summer youth corps program created pursuant to
section 15H.5, the Iowa green corps program created pursuant to
section 15H.6, the Iowa reading corps program created pursuant
to section 15H.7, and the RefugeeRISE AmeriCorps program created
pursuant to section 15H.8, ~~and the Iowa conservation corps
created pursuant to section 84A.7,~~ are part of the Iowa national
service corps programs and national service positions.

Sec. 2. Section 84A.1, subsection 1, Code 2025, is amended to
read as follows:

1. The department of workforce development is created to
administer the laws of this state relating to unemployment
compensation insurance, and job placement and training,
~~employment safety, labor standards, and workers' compensation.~~

Sec. 3. Section 84A.1A, subsection 6, Code 2025, is amended
by striking the subsection and inserting in lieu thereof the
following:

6. The workforce development board may establish standing
committees of the board in the bylaws of the board.

Sec. 4. Section 84A.1A, subsection 7, paragraph a, Code 2025,
is amended by striking the paragraph and inserting in lieu
thereof the following:

a. All documents required by current federal workforce rules
and regulations.

Sec. 5. Section 84A.1B, unnumbered paragraph 1, Code 2025, is

1 amended to read as follows:

2 The In addition to the duties outlined in current federal
3 workforce rules and regulations, the workforce development board
4 shall do ~~all of~~ the following:

5 Sec. 6. Section 84A.1B, subsections 1, 2, 3, 5, 6, 7, 8,
6 9, 10, 11, 12, and 15, Code 2025, are amended by striking the
7 subsections.

8 Sec. 7. Section 84A.1B, subsection 13, Code 2025, is amended
9 by striking the subsection and inserting in lieu thereof the
10 following:

11 13. Assist the governor in the designation of local workforce
12 development areas or regions as outlined in current federal
13 workforce rules and regulations.

14 Sec. 8. Section 84A.3, Code 2025, is amended by striking the
15 section and inserting in lieu thereof the following:

16 **84A.3 Local workforce development plans.**

17 1. A local workforce development board shall, in partnership
18 with the chief elected official, develop a local workforce
19 development plan in accordance with current federal workforce
20 laws, rules, and regulations. The local workforce development
21 board shall submit the workforce development plan to the
22 department of workforce development for review and approval in
23 the manner and form determined by the department.

24 2. All local workforce plan modifications shall be submitted
25 to the department of workforce development for review and
26 approval in the manner and form determined by the department.
27 Modifications to the local workforce development plan must be
28 developed in accordance with current federal workforce laws,
29 rules, and regulations.

30 3. The local workforce development plan and modifications
31 shall include the contents required by current federal workforce
32 laws, rules, and regulations, and such other information as
33 the department of workforce development or the state workforce
34 development board may require.

35 Sec. 9. Section 84A.5, subsection 1, paragraph a, Code 2025,

1 is amended to read as follows:

2 a. The workforce development system shall strive to provide
3 high quality services to its customers including workers,
4 families, and businesses. The department of workforce
5 development shall maintain a common intake, assessment, and
6 customer tracking system and to the extent practical provide
7 one-stop services to customers at workforce development centers
8 and other service access points. ~~The department of workforce~~
9 ~~development shall administer a statewide standard skills~~
10 ~~assessment to assess the employability skills of adult workers~~
11 ~~statewide and shall instruct appropriate department staff in~~
12 ~~the administration of the assessment. The assessment shall~~
13 ~~be included in the one-stop services provided to customers at~~
14 ~~workforce development centers and other service access points~~
15 ~~throughout the state.~~

16 Sec. 10. Section 84A.5, subsection 5, paragraphs a, b, and c,
17 Code 2025, are amended by striking the paragraphs.

18 Sec. 11. Section 84A.5, subsection 7, Code 2025, is amended
19 by striking the subsection.

20 Sec. 12. Section 84A.5, subsection 10, Code 2025, is amended
21 to read as follows:

22 10. ~~The department of education, in collaboration with the~~
23 ~~department of workforce development,~~ is responsible for the
24 development and oversight of industry and sector partnerships in
25 the state.

26 Sec. 13. Section 84A.6, subsection 4, Code 2025, is amended
27 by striking the subsection.

28 Sec. 14. Section 97B.1A, subsection 8, paragraph b,
29 subparagraph (8), Code 2025, is amended by striking the
30 subparagraph.

31 Sec. 15. Section 256.228, subsection 4, paragraph d, Code
32 2025, is amended by striking the paragraph and inserting in lieu
33 thereof the following:

34 d. In collaboration with the department of workforce
35 development and the department of education, compile an annual

1 report, in an aggregate form to protect the confidentiality of
2 each eligible program's participants, that includes the number of
3 students receiving scholarships under this section, the number of
4 students receiving grants under section 256.229, the number of
5 scholarship and grant recipients completing a program of study
6 or major annually and in the prescribed time frame under this
7 section or section 256.229, the number of eligible institutions
8 participating in the scholarship and grant programs established
9 under this section or section 256.229, the number of written
10 agreements entered into by the volunteer mentor program under
11 section 15H.10, statistics on employment outcomes for future
12 ready Iowa skilled workforce last-dollar scholarship and future
13 ready Iowa skilled workforce grant program participants by
14 industry, and other data as may be deemed pertinent by the
15 commission, the department of workforce development, or the
16 department of education. The commission shall submit the report
17 to the governor and the general assembly annually by January 15.

18 Sec. 16. Section 256.229, subsection 4, paragraph d, Code
19 2025, is amended to read as follows:

20 ~~d. Transmit to the department of workforce development~~ Use
21 the compilation of information, data, and statistics submitted
22 in accordance with subsection 1, paragraph "c", subparagraph (6),
23 ~~for to compile~~ the annual report required under section ~~84A.1B~~
24 256.228, subsection 4, paragraph "d".

25 Sec. 17. REPEAL. Sections 84A.7, 84A.8, 84A.9, 84A.10, and
26 84A.11, Code 2025, are repealed.

27 DIVISION II

28 UNEMPLOYMENT INSURANCE — TAXABLE WAGES

29 Sec. 18. Section 96.1A, subsection 36, unnumbered paragraph
30 1, Code 2025, is amended to read as follows:

31 "Taxable wages" means an amount of wages upon which an
32 employer is required to contribute based upon wages ~~which that~~
33 have been paid in this state during a calendar year to an
34 individual by an employer or the employer's predecessor, ~~in this~~
35 ~~state or another state which extends a like comity to this state,~~

1 ~~with respect to employment,~~ upon which the employer is required
2 to contribute, which equals the greater of the following:

3 EXPLANATION

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

6 This bill relates to workforce training, unemployment
7 insurance, and other functions and programs of the department
8 of workforce development (department), the workforce development
9 board, and local workforce development boards.

10 DIVISION I — FUNCTIONS OF DEPARTMENT OF WORKFORCE
11 DEVELOPMENT, WORKFORCE DEVELOPMENT BOARD, AND LOCAL WORKFORCE
12 DEVELOPMENT BOARDS. This division strikes department duties
13 relating to administering a statewide employment skills
14 assessment, selection of service providers, establishing a job
15 posting system of education-related job openings, and functions
16 no longer under the department pursuant to 2023 Iowa Acts, Senate
17 File 514.

18 The division repeals Code provisions for the Iowa conservation
19 corps, the workforce investment program, the statewide mentoring
20 program, the new employment opportunity program, and the nursing
21 workforce data clearinghouse.

22 The division generally transfers duties relating to compiling
23 an annual report for submission to the governor and general
24 assembly on various workforce training programs from the
25 department to the college student aid commission.

26 The division strikes requirements for the department to
27 collaborate with specified education-related entities when
28 performing certain duties.

29 The division strikes detailed language relating to duties of
30 the workforce development board concerning standing committees,
31 public availability of information, comprehensive state workforce
32 development plans, recommendations on the use of federal funds,
33 and various other duties. The division generally provides that
34 such duties shall be carried out as required by federal law. The
35 division similarly modifies duties of local workforce development

1 boards relating to local workforce development plans.

2 DIVISION II — UNEMPLOYMENT INSURANCE — TAXABLE WAGES. This
3 division modifies the definition of "taxable wages" for purposes
4 of unemployment insurance taxes on employers by eliminating the
5 wages paid to an employee from another state from the calculation
6 of wages upon which an employer is required to contribute to the
7 unemployment compensation fund when the other state extends a
8 like comity (reciprocity) to Iowa for employment purposes. The
9 division specifies that only wages paid in Iowa can constitute
10 taxable wages.

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