House File 2459 - Reprinted

HOUSE FILE \_\_\_\_\_\_ BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HSB 706)

Passed	House,	Date		Passed	Senate,	Date _	
Vote:	Ayes _		Nays	Vote:	Ayes _	Na	ays
		Approv	ved				

## A BILL FOR

2 3 4 5 6 7 8	authority, and the public employment relations board, and related matters, and providing effective and retroactive
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1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	<ul> <li>Section 1. GOALS AND ACCOUNTABILITY.</li> <li>The goals for the department of economic development</li> <li>shall be to expand and stimulate the state economy, increase</li> <li>the wealth of Iowans, and increase the population of the</li> <li>state.</li> <li>To achieve the goals in subsection 1, the department of</li> </ul>

2 15 existing Iowa businesses. Emphasis shall also be placed on 2 16 entrepreneurial development through helping to secure capital 2 17 for entrepreneurs, and developing networks and a business 2 18 climate conducive to entrepreneurs and small business. c. A business creating jobs with economic development 2 19 2 20 assistance through moneys appropriated in this subsection 21 shall be subject to contract provisions stating that new and 22 retained jobs shall be filled by individuals who are citizens 2 2 2 23 of the United States who reside within the United States, or 2 24 any person authorized to work in the United States pursuant to 25 federal law, including legal resident aliens in the United 26 States. Any vendor who receives such public moneys shall 2 2 27 adhere to such contract provisions and provide periodic 28 assurances as the state shall require, that the jobs are 29 filled solely by citizens of the United States who reside 2 2 2 30 within the United States, or any person authorized to work in 31 the United States pursuant to federal law, including legal 2 2 2 32 resident aliens in the United States. d. From the moneys appropriated in this subsection, the 2 33 2 34 department may provide financial assistance in the form of a 2 35 grant to a community economic development entity for 3 1 conducting a local workforce recruitment effort designed to 3 2 recruit former citizens of the state and former students at 3 3 colleges and universities in the state to meet the needs of 3 4 local employers. 3 e. From the moneys appropriated under this subsection, the 5 3 6 department may provide financial assistance to early=stage 3 7 industry companies being established by women entrepreneurs. f. From the moneys appropriated under this subsection, the 3 8 9 department may provide financial assistance in the form of 3 10 grants, loans, or forgivable loans for advanced research and 11 commercialization projects involving value=added agriculture, 3 3 3 12 advanced technology, or biotechnology. 3 13 g. Notwithstanding section 8.33, moneys appropriated in 3 14 this subsection that remain unencumbered or unobligated at the 3 15 close of the fiscal year shall not revert but shall remain 3 16 available for expenditure for the purposes designated until 3 17 the close of the succeeding fiscal year. 3 18 3. COMMUNITY DEVELOPMENT DIVISION 3 19 a. Community development programs 3 20 For salaries, support, maintenance, miscellaneous purposes, 21 community economic development programs, tourism operations, 3 3 22 community assistance, the film office, the mainstreet and 3 23 rural mainstreet programs, the school=to=career program, the 3 24 community development block grant, and housing and shelter= 3 25 related programs and for not more than the following full=time 3 26 equivalent positions: \$ 3 27 5,654,173 3 2.8 ..... 61.26 3 29 b. For purposes of providing cooperative marketing 3 30 opportunities for tourism: 3 31 c. The department shall encourage development of 250,000 3 32 33 communities and quality of life to foster economic growth. 3 3 34 The department shall prepare communities for future growth and 35 development through development, expansion, and modernization 3 4 1 of infrastructure. 4 d. The department shall develop public=private 4 3 partnerships with Iowa businesses in the tourism industry, 4 Iowa tour groups, Iowa tourism organizations, and political 4 4 5 subdivisions in this state to assist in the development of 4 6 advertising efforts. The department shall, to the fullest extent possible, develop cooperative efforts for advertising 4 7 4 8 with contributions from other sources. e. Notwithstanding section 8.33, moneys appropriated in 4 4 10 this subsection that remain unencumbered or unobligated at the 4 11 close of the fiscal year shall not revert to any fund but 4 12 shall remain available for expenditure for the designated 4 13 purposes during the succeeding fiscal year. f. The department shall not charge a nonprofit, public 4 14 4 15 entity a fee for placement of informational materials in a 4 16 welcome center. 4 17 4. For allocating moneys for the world food prize: Sec. 3. WORLD FOOD PRIZE. In addition to moneys allocated 285,000 4 18 4 19 20 to the world food prize in section 2 of this Act, 4 4 21 notwithstanding section 8.39, the department of economic 4 22 development shall allocate an additional \$115,000 to the world 4 23 food prize from moneys appropriated to the department from the 4 24 general fund of the state in this Act. 4 25 Sec. 4. VISION IOWA PROGRAM == FTE AUTHORIZATION. For

4 26 purposes of administrative duties associated with the vision 4 27 Iowa program, the department of economic development is 4 28 authorized an additional 2.25 full=time equivalent positions 4 29 above those otherwise authorized in this Act. 4 30 Sec. 5. RURAL COMMUNITY 2000 PROGRAM. There is 4 31 appropriated from loan repayments on loans under the former 32 rural community 2000 program, sections 15.281 through 15.288, 33 Code 2001, to the department of economic development for the 34 fiscal year beginning July 1, 2006, and ending June 30, 2007, 35 the following amounts, or so much thereof as is necessary, to 4 4 4 4 be used for the purposes designated: 1. For providing financial assistance to Iowa's councils 5 1 5 2 5 3 of governments that provide technical and planning assistance 5 4 to local governments: 5 ... \$ 5 150,000 . 5 2. For the rural development program for the purposes of 6 5 7 the program including the rural enterprise fund and 5 8 collaborative skills development training: 5 9 Sec. 6. INSURANCE ECONOMIC DEVELOPMENT. There is 120,000 5 10 5 11 appropriated from moneys collected by the division of 5 12 insurance in excess of the anticipated gross revenues under 13 section 505.7, subsection 3, to the department of economic 5 5 14 development for the fiscal year beginning July 1, 2006, and 5 15 ending June 30, 2007, the following amount, or so much thereof 5 16 as is necessary, for insurance economic development and 5 17 international insurance economic development: 5 18 100,000 Sec. 7. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding 5 19 5 20 section 15E.120, subsection 5, there is appropriated from the 21 Iowa community development loan fund all the moneys available 22 during the fiscal year beginning July 1, 2006, and ending June 5 5 23 30, 2007, to the department of economic development for the 5 5 24 community development program to be used by the department for 5 25 the purposes of the program. 5 26 Sec. 8. WORKFORCE DEVELOPMENT FUND. There is appropriated 5 27 from the workforce development fund account created in section 28 15.342A, to the workforce development fund created in section 29 15.343, for the fiscal year beginning July 1, 2006, and ending 30 June 30, 2007, the following amount, for the purposes of the 5 5 5 5 31 workforce development fund, and for not more than the 5 32 following full=time equivalent positions: 5 5 34 .....FIES 4.0 35 Sec. 9. WORKFORCE DEVELOPMENT ADMINISTRATION. From funds 5 1 appropriated or transferred to or receipts credited to the б 6 2 workforce development fund created in section 15.343, up to 3 \$400,000 for the fiscal year beginning July 1, 2006, and 4 ending June 30, 2007, may be used for the administration of 6 6 б 5 workforce development activities including salaries, support, 6 6 maintenance, and miscellaneous purposes and for not more than 4.00 full=time equivalent positions. Sec. 10. JOB TRAINING FUND. Notwithstanding section 6 7 б 8 9 15.251, all remaining moneys in the job training fund on July 6 6 10 1, 2006, and any moneys appropriated or credited to the fund 6 11 during the fiscal year beginning July 1, 2006, shall be 6 12 transferred to the workforce development fund established 6 13 pursuant to section 15.343.6 14 Sec. 11. IOWA FINANCE AUTHORITY. There is appropriated 6 15 from the general fund of the state to the Iowa finance 6 16 authority for the fiscal year beginning July 1, 2006, and 6 17 ending June 30, 2007, the following amount, or so much thereof 6 18 as is necessary, to be used for the purpose designated: 6 19 For the entrepreneurs with disabilities program: 20 .....\$ 200,0 21 Sec. 12. IOWA STATE UNIVERSITY. 22 1. There is appropriated from the general fund of the 23 state to the Iowa state university of science and technology 24 for the fiscal year beginning July 1, 2006, and ending June 25 20 2007 the following amount or so much thereof as is 6 20 200,000 6 21 6 22 6 6 25 30, 2007, the following amount, or so much thereof as is 26 necessary, to be used for small business development centers, 6 6 27 the science and technology research park, the institute for 28 physical research, and for not more than the following full= б 6 6 29 time equivalent positions: 30 .....\$ 31 ..... FTES 6 \$ 2,463,557 2. Of the moneys appropriated in subsection 1, Iowa state 56.63 6 6 32 6 33 university shall allocate at least \$650,000 for purposes of 34 funding small business development centers, including a small 35 business development center in Fort Dodge. Iowa state 6 6 1 university may allocate moneys appropriated in subsection 1 to

2 the various small business development centers in any manner 7 3 necessary to achieve the purposes of this subsection. 7 4 3. Iowa state university of science and technology shall 7 5 do all of the following: 7 a. Direct expenditures for research toward projects that 6 7 7 will provide economic stimulus for Iowa. 7 8 b. Provide emphasis to providing services to Iowa=based 7 9 companies. 7 10 4. It is the intent of the general assembly that the 7 11 industrial incentive program focus on Iowa industrial sectors 7 12 and seek contributions and in=kind donations from businesses, 7 13 industrial foundations, and trade associations and that moneys 7 14 for the institute for physical research and technology 7 15 industrial incentive program shall only be allocated for 7 16 projects which are matched by private sector moneys for 7 17 directed contract research or for nondirected research. The 7 18 match required of small businesses as defined in section 7 19 15.102, subsection 4, for directed contract research or for 7 20 nondirected research shall be \$1 for each \$3 of state funds. 7 21 The match required for other businesses for directed contract 22 research or for nondirected research shall be \$1 for each \$1 23 of state funds. The match required of industrial foundations 7 7 7 24 or trade associations shall be \$1 for each \$1 of state funds. 25 Iowa state university of science and technology shall 26 report annually to the joint appropriations subcommittee on 7 7 7 27 economic development and the legislative services agency the 7 7 28 total amount of private contributions, the proportion of 7 29 contributions from small businesses and other businesses, and 7 30 the proportion for directed contract research and nondirected 7 31 research of benefit to Iowa businesses and industrial sectors. 32 Notwithstanding section 8.33, moneys appropriated in this 33 section that remain unencumbered or unobligated at the close 7 7 7 34 of the fiscal year shall not revert but shall remain available 7 35 for expenditure for the purposes designated until the close of 8 1 the succeeding fiscal year. Sec. 13. UNIVERSITY OF IOWA. 1. There is appropriated from the general fund of the 8 8 3 4 state to the state university of Iowa for the fiscal year 5 beginning July 1, 2006, and ending June 30, 2007, the 8 8 8 6 following amount, or so much thereof as is necessary, to be 8 7 used for the university of Iowa research park and for the 8 8 advanced drug development program at the Oakdale research 8 9 park, including salaries, support, maintenance, equipment, 10 miscellaneous purposes, and for not more than the following 8 8 11 full=time equivalent positions: 8 12 ..... 247,005 Ŝ 8 13 ..... FTEs 6. 8 14 2. The university of Iowa shall do all of the following: 8 15 a. Direct expenditures for research toward projects that 6.00 8 16 will provide economic stimulus for Iowa. b. Provide emphasis to providing services to Iowa=based 8 17 8 18 companies. 8 19 3. Notwithstanding section 8.33, moneys appropriated in 8 20 this section that remain unencumbered or unobligated at the 8 21 close of the fiscal year shall not revert but shall remain 8 22 available for expenditure for the purposes designated until 8 23 the close of the succeeding fiscal year. Sec. 14. UNIVERSITY OF NORTHERN IOWA. 1. There is appropriated from the general fund of the 8 24 8 25 8 26 state to the university of northern Iowa for the fiscal year 8 27 beginning July 1, 2006, and ending June 30, 2007, the 8 28 following amount, or so much thereof as is necessary, to be 8 29 used for the metal casting institute, and for the institute of 8 30 decision making, including salaries, support, maintenance, 8 31 miscellaneous purposes, and for not more than the following 8 32 full=time equivalent positions: 8 33 ..... \$ 361,291 34 ..... FTEs
35 2. The university of northern Iowa shall do all of the 8 4.75 8 9 following: 9 2 a. Direct expenditures for research toward projects that 9 3 will provide economic stimulus for Iowa. 9 4 b. Provide emphasis to providing services to Iowa=based 9 companies. 5 9 6 3. Notwithstanding section 8.33, moneys appropriated in 9 this section that remain unencumbered or unobligated at the 7 9 8 close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until 9 9 the close of the succeeding fiscal year. Sec. 15. BOARD OF REGENTS REPORT. The state board of 9 10 9 11 9 12 regents shall submit a report on the progress of regents

9 13 institutions in meeting the strategic plan for technology 9 14 transfer and economic development to the secretary of the 9 15 senate, the chief clerk of the house of representatives, and 9 16 the legislative services agency by January 15, 2007.
9 17 Sec. 16. DEPARTMENT OF WORKFORCE DEVELOPMENT.
9 18 1. There is appropriated from the general fund of the 9 19 state to the department of workforce development for the 9 20 fiscal year beginning July 1, 2006, and ending June 30, 2007, 9 21 the following amount, or so much thereof as is necessary, for 9 22 the division of labor services, the division of workers' 23 compensation, the workforce development state and regional 24 boards, the new employment opportunity fund, immigration 9 9 9 25 services centers, for transfer to the elevator safety fund 26 salaries, support, maintenance, miscellaneous purposes, and 27 for not more than the following full=time equivalent 9 9 9 28 positions: 9 29 ..... \$ 5,278,800 9 30 ..... FTEs 89.45 9 Of the moneys appropriated in this subsection, the 31 9 32 department shall allocate \$225,000 for purposes of reducing 9 33 the backlog of cases before the commissioner of workers' 9 34 compensation and for increasing support for the voluntary 9 35 compliance program. 10 2. There is appropriated from the general fund of the 1 10 state to the department of workforce development for the 2 10 fiscal year beginning July 1, 2006, and ending June 30, 2007, 3 10 4 the following amount, or so much thereof as is necessary, to 10 5 be used for the purpose designated: 10 For deposit in the field office operating fund and for not 6 more than the following full=time equivalent positions: 10 7 10 8 ·····\$ 6,856,655 10 9 ..... FTES 86.0 10 10 3. From the contractor registration fees, the division of 10 11 labor services shall reimburse the department of inspections 86.04 10 12 and appeals for all costs associated with hearings under chapter 91C, relating to contractor registration. 10 13 10 14 4. The division of workers' compensation shall continue 10 15 charging a \$65 filing fee for workers' compensation cases. 10 16 The filing fee shall be paid by the petitioner of a claim. 10 17 However, the fee can be taxed as a cost and paid by the losing 10 18 party, except in cases where it would impose an undue hardship 10 19 or be unjust under the circumstances. The moneys generated by 10 20 the filing fee allowed under this subsection are appropriated 10 21 to the department of workforce development to be used for 10 22 purposes of administering the division of workers' 10 23 compensation. 10 24 5. The department of workforce development shall maintain 10 25 pilot immigration services centers that offer one=stop 10 26 services to deal with the multiple issues related to 10 27 immigration and employment. The pilot centers shall be 10 28 designed to support workers, businesses, and communities with 10 29 information, referrals, job placement assistance, translation, 10 30 language training, resettlement, as well as technical and 10 31 legal assistance on such issues as forms and documentation. 10 32 Through the coordination of local, state, and federal service 10 33 providers, and through the development of partnerships with 10 34 public, private, and nonprofit entities with established 10 35 records of international service, these pilot centers shall 11 1 seek to provide a seamless service delivery system for new 11 2 Iowans. 11 3 6. Notwithstanding section 8.33, moneys appropriated in 11 4 this section that remain unencumbered or unobligated at the 11 5 close of the fiscal year shall not revert but shall remain 6 available for expenditure for the purposes designated until 7 the close of the succeeding fiscal year. 11 the close of the succeeding fiscal year. Sec. 17. EMPLOYMENT SECURITY CONTINGENCY FUND. There is 11 11 8 appropriated from the special employment security contingency 11 9 11 10 fund to the department of workforce development for the fiscal 11 11 year beginning July 1, 2006, and ending June 30, 2007, the 11 12 following amounts, or so much thereof as is necessary, for the purposes designated: 11 13 11 14 For the division of workers' compensation, salaries, 11 15 support, maintenance, and miscellaneous purposes: 11 16 .....\$ 471,000 11 17 Any remaining additional penalty and interest revenue may 11 18 be allocated and used to accomplish the mission of the 11 19 department. 11 20 Sec. 18. PUBLIC EMPLOYMENT RELATIONS BOARD. There is 11 21 appropriated from the general fund of the state to the public 11 22 employment relations board for the fiscal year beginning July 11 23 1, 2006, and ending June 30, 2007, the following amount, or so

11 24 much thereof as is necessary, for the purposes designated: For salaries, support, maintenance, miscellaneous purposes, 11 25 11 26 and for not more than the following full=time equivalent 11 27 positions: 11 28 .....\$ 1,030,607 11 29 ..... FTEs 10.0 11 30 Sec. 19. Section 15G.111, subsection 6, paragraph b, Code 11 31 Supplement 2005, is amended to read as follows: 10.00 11 32 b. Of the moneys appropriated in this subsection, the 11 33 department shall transfer three hundred fifty thousand dollars 11 34 each fiscal year for the fiscal period beginning July 1, 2005, 11 35 and ending June 30, 2015, to Iowa state university of science and technology, for purposes of providing financial assistance 12 1 2 to establish small business development centers in areas of 3 the state previously served by a small business development 12 12 4 center, to develop business succession plans, and to maintain 12 12 5 existing small business development centers. Of the three 12 12 hundred fifty thousand dollars transferred each fiscal year 7 pursuant to this paragraph, not more than one hundred thousand 8 dollars shall be used for business succession activities. 12 12 9 Financial assistance for a small business development center 12 10 shall not exceed fifty thousand dollars per fiscal year and \_12 <u>12 11 shall not</u> be awarded unless the city or county where the 12 12 center is located or scheduled to be located demonstrates the 12 13 ability to obtain local matching moneys on a dollar=for=dollar 12 14 basis for at least twenty=five percent of the cost of the 12 <u>15 center</u>. <del>An award of financial assistance to a small business</del> 12 16 development center under this paragraph shall not exceed 12 17 twenty thousand dollars. Sec. 20. Section 91C.1, Code 2005, is amended to read as 12 18 12 19 follows: 12 20 91C.1 DEFINITION == EXEMPTION. 12 21 1. As used in this chapter, unless the context otherwise 12 22 requires, "contractor" means a person who engages in the 12 23 business of construction, as the term "construction" is 12 24 defined in the Iowa administrative code for purposes of the 12 25 Iowa employment security law. However, a person who earns 12 26 less than one ten thousand dollars annually or who performs 12 27 work or has work performed on the person's own property is not 12 28 a contractor for purposes of this chapter. The state, its 12 29 boards, commissions, agencies, departments, and its political 12 30 subdivisions including school districts and other special 12 31 purpose districts, are not contractors for purposes of this 12 32 chapter. 12 33 2. 2. If a contractor's registration application shows that 12 34 the contractor is self=employed, does not pay more than one 12 35 ten thousand dollars annually to employ other persons in the business, and does not work with or for other contractors in the same phases of construction, the contractor is exempt from 13 13 2 13 3 the fee requirements under this chapter. Sec. 21. Section 96.7A, subsection 3, Code 2005, is amended to read as follows: 13 4 13 5 3. FY 2006=2007 ..... \$ 3,262,500 13 6 13 7 0 13 Sec. 22. TRAVEL POLICY. 8 1. For the fiscal year beginning July 1, 2006, each 13 9 13 10 department or independent agency receiving an appropriation in 13 11 this Act shall review the employee policy for daily or short= 13 12 term travel including but not limited to the usage of motor 13 13 pool vehicles under the department of administrative services, 13 14 employee mileage reimbursement for the use of a personal 13 15 vehicle, and the usage of private automobile rental companies. 13 16 Following the review, the department or agency shall implement 13 17 revisions in the employee policy for daily or short=term 13 18 travel as necessary to minimize oil consumption and maximize 13 19 cost savings. 13 20 2. Each department or independent agency subject to 13 21 subsection 1 shall report to the general assembly's standing 13 22 committees on government oversight regarding the policy 13 23 revisions implemented and the consumption reduction and 13 24 savings realized from the changes. An initial report shall be 13 25 submitted on or before December 1, 2006, and a follow=up 13 26 report shall be submitted on or before December 1, 2007. Sec. 23. VALUE=ADDED AGRICULTURAL PRODUCTS AND PROCESSES 13 27 13 28 FINANCIAL ASSISTANCE FUND MONEYS. The office of renewable 13 29 fuels and coproducts may apply to the department of economic 13 30 development for moneys in the value=added agricultural 13 31 products and processes financial assistance fund for deposit 13 32 in the renewable fuels and coproducts fund created in section 13 33 159A.7. 13 34 Sec. 24. IOWA FINANCE AUTHORITY AUDIT. The auditor of

13 35 state is requested to review the audit of the Iowa finance 1 authority performed by the auditor hired by the authority. 14 14 2 The auditor of state is also requested to conduct a 3 performance audit of the authority to determine the 4 effectiveness of the authority and the programs of the 14 14 14 5 authority. 14 6 Sec. 25. APPLICATION FOR DEPARTMENT OF ECONOMIC DEVELOPMENT MONEYS. For the fiscal year beginning July 1, 14 7 8 2006, any entity that was specifically identified in 2001 Iowa 14 14 9 Acts, chapter 188, to receive funding from the department of 14 10 economic development, excluding any entity identified to 14 11 receive a direct appropriation beginning July 1, 2006, may 14 12 apply to the department for assistance through the appropriate 14 13 program. The department shall provide application criteria 14 14 necessary to implement this section. 14 15 Sec. 26. SHELTER ASSISTANCE FUND. In providing moneys 14 16 from the shelter assistance fund to homeless shelter programs 14 17 in the fiscal year beginning July 1, 2006, and ending June 30, 14 18 2007, the department of economic development shall explore the 14 19 potential of allocating moneys to homeless shelter programs 14 20 based in part on their ability to move their clients toward 14 21 self=sufficiency. Sec. 27. UNEMPLOYMENT COMPENSATION PROGRAM. 14 22 14 23 Notwithstanding section 96.9, subsection 4, paragraph "a", 14 24 moneys credited to the state by the secretary of the treasury 14 25 of the United States pursuant to section 903 of the Social 14 26 Security Act shall be appropriated to the department of 14 27 workforce development and shall be used by the department for 14 28 the administration of the unemployment compensation program 14 29 only. This appropriation shall not apply to any fiscal year 14 30 beginning after December 31, 2006. Sec. 28. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES. 14 31 14 32 The section of this Act amending section 15G.111, relating to 14 33 business succession plans at small business development 14 34 centers, being deemed of immediate importance, takes effect 14 35 upon enactment and is retroactively applicable to June 9, 1 2005. 15 2 HF 2459 15 15 3 tm:mg/es/25