

Economic Development Appropriations Bill Senate File 499

Conference Committee Report

An Act making appropriations to the department of cultural affairs, the economic development authority, the Iowa finance authority, the public employment relations board, the department of workforce development, and the state board of regents and certain regents institutions, and providing for other properly related matters.

**Fiscal Services Division
Legislative Services Agency**

NOTES ON BILLS AND AMENDMENTS (NOBA)

Available online at: <http://www.legis.iowa.gov/LSAReports/noba.aspx>

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Funding Summary: [Senate File 499](#), as proposed by the Conference Committee, appropriates a total of \$42.3 million from the General Fund and 562.2 FTE positions for FY 2016. This is a decrease of \$331,000 and 2.4 FTE positions compared to estimated FY 2015. [Senate File 499](#) also appropriates \$27.9 million from other funds for FY 2016. This is no change compared to estimated FY 2015. **See the attached tracking document for funding totals and difference comparisons for individual budget unit items.**

FUNDING SUMMARY HIGHLIGHTS: The Conference Committee recommends that [SF 499](#) be amended as follows:

- **Department of Cultural Affairs (DCA)** – Appropriates \$5.7 million from the General Fund for FY 2016. This is no change compared to estimated FY 2015.
- **Economic Development Authority (IEDA)** – Appropriates \$16.6 million from the General Fund for FY 2016. This is a decrease of \$1.1 million compared to estimated FY 2015. The changes include:
 - A decrease of \$88,000 for the World Food Prize.
 - A decrease of \$1.0 million for Science, Technology, Engineering, and Mathematics (STEM) Internships.
- **Iowa Finance Authority (IFA)** – Appropriates \$658,000 from the General Fund for FY 2016. This is no change compared to estimated FY 2015.
- **Public Employment Relations Board (PERB)** – Appropriates \$1.3 million from the General Fund for FY 2016. This is no change compared to estimated FY 2015.
- **Iowa Workforce Development (IWD)** – Appropriates \$17.9 million from the General Fund for FY 2016. This is an increase of \$756,000 compared to estimated FY 2015. The changes include:
 - An increase of \$669,000 for the Labor Services Division to support the federal Occupational Safety and Health Administration (OSHA) Programs.
 - An increase of \$88,000 for the Labor Services Division for an additional investigator and support staff to investigate wage enforcement.
- **Board of Regents (IEDA)** – Appropriates \$101,000 from the General Fund for FY 2016. This is no change compared to estimated FY 2015.

NOTE: The Conference Committee Report includes funding for FY 2017 at approximately 50.0% of the FY 2016 appropriation levels for General Fund appropriations, with the exception of an additional \$500,000 for Science, Technology, Engineering, and Mathematics (STEM) Internships for FY 2017. The Conference Committee Report includes funding for FY 2017 at approximately 50.0% of the FY 2016 appropriation levels for other fund appropriations. The Conference Committee Report authorized FTE positions are the same for both fiscal years.

Language Summary:

- **The IWD – Field Office Operations:** The Conference Committee requires the IWD to allocate at least \$1.1 million of a General Fund appropriation for operation of three satellite field offices projected to serve the most people from the offices located in Decorah, Fort Madison, Iowa City, and Webster City.
- **Veteran-Owned Businesses:** The Conference Committee makes Iowa Code changes related to veteran-owned businesses.
- **Merit System Status and Appeals:** The Conference Committee makes Iowa Code changes related to the merit system status and appeal rights of certain State employees.
- **Redevelopment Tax Credits:** The Conference Committee makes Iowa Code changes related to Redevelopment Tax Credits.
- **Nuisance Properties and Abandoned Buildings:** The Conference Committee modifies provisions and establishes a Nuisance Property Remediation Assistance Fund and Program relating to nuisance property and abandoned buildings.

NOTE: This language summary represents major language provisions and should not be considered as a comprehensive listing for [SF 499](#). See the complete NOBAs for more detail.

Senate Floor Action: https://www.legis.iowa.gov/docs/NOBA/86_SF499_SF.pdf

House Floor Action: https://www.legis.iowa.gov/docs/NOBA/86_S3159_HF.pdf

Summary Data

General Fund

	Estimated FY 2015 <u>(1)</u>	Gov Rec FY 2016 <u>(2)</u>	Senate Action FY 2016 <u>(3)</u>	House Action FY 2016 <u>(4)</u>	Conf. Comm. FY 2016 <u>(5)</u>	FY 2016 Conf. Comm. v. FY 2015 Est. <u>(6)</u>
Economic Development	\$ 42,581,886	\$ 44,500,763	\$ 44,275,763	\$ 41,396,735	\$ 42,250,763	\$ -331,123
Grand Total	<u>\$ 42,581,886</u>	<u>\$ 44,500,763</u>	<u>\$ 44,275,763</u>	<u>\$ 41,396,735</u>	<u>\$ 42,250,763</u>	<u>\$ -331,123</u>

Economic Development General Fund

	Estimated FY 2015 (1)	Gov Rec FY 2016 (2)	Senate Action FY 2016 (3)	House Action FY 2016 (4)	Conf. Comm. FY 2016 (5)	FY 2016 Conf. Comm. v. FY 2015 Est. (6)
<u>Cultural Affairs, Dept. of</u>						
Cultural Affairs, Dept. of						
Administration Division	\$ 176,882	\$ 176,882	\$ 176,882	\$ 91,482	\$ 176,882	\$ 0
Community Cultural Grants	172,090	172,090	172,090	172,090	172,090	0
Historical Division	3,167,701	3,754,032	3,167,701	3,754,032	3,167,701	0
Historic Sites	426,398	0	426,398	0	426,398	0
Arts Division	1,233,764	1,233,764	1,233,764	1,133,764	1,233,764	0
Great Places	150,000	150,000	150,000	150,000	150,000	0
Archiving Former Governor's Papers	65,933	0	65,933	0	65,933	0
Records Center Rent	227,243	227,243	227,243	227,243	227,243	0
Battle Flag Stabilization	94,000	0	94,000	0	94,000	0
Total Cultural Affairs, Dept. of	\$ 5,714,011	\$ 5,714,011	\$ 5,714,011	\$ 5,528,611	\$ 5,714,011	\$ 0
<u>Economic Development Authority</u>						
Economic Development Authority						
Economic Development Appropriation	\$ 15,516,372	\$ 15,766,372	\$ 15,766,372	\$ 15,320,459	\$ 15,516,372	\$ 0
World Food Prize	800,000	800,000	800,000	700,000	712,500	-87,500
Iowa Comm. Volunteer Ser.-Promise	178,133	178,133	228,133	178,133	178,133	0
Councils of Governments (COGs) Assistance	200,000	200,000	250,000	200,000	200,000	0
STEM Scholarships	1,000,000	1,000,000	1,000,000	0	0	-1,000,000
Home Base Iowa Marketing	0	500,000	500,000	0	0	0
Business to Business Portal Service	0	500,000	0	0	0	0
Total Economic Development Authority	\$ 17,694,505	\$ 18,944,505	\$ 18,544,505	\$ 16,398,592	\$ 16,607,005	\$ -1,087,500
<u>Iowa Finance Authority</u>						
Iowa Finance Authority						
Rent Subsidy Program	\$ 658,000	\$ 658,000	\$ 658,000	\$ 658,000	\$ 658,000	\$ 0
Total Iowa Finance Authority	\$ 658,000	\$ 658,000	\$ 658,000	\$ 658,000	\$ 658,000	\$ 0
<u>Public Employment Relations Board</u>						
Public Employment Relations						
General Office	\$ 1,342,452	\$ 1,342,452	\$ 1,342,452	\$ 1,305,452	\$ 1,342,452	\$ 0
Total Public Employment Relations Board	\$ 1,342,452	\$ 1,342,452	\$ 1,342,452	\$ 1,305,452	\$ 1,342,452	\$ 0

Economic Development General Fund

	Estimated FY 2015 <u>(1)</u>	Gov Rec FY 2016 <u>(2)</u>	Senate Action FY 2016 <u>(3)</u>	House Action FY 2016 <u>(4)</u>	Conf. Comm. FY 2016 <u>(5)</u>	FY 2016 Conf. Comm. v. FY 2015 Est. <u>(6)</u>
<u>Iowa Workforce Development</u>						
Iowa Workforce Development						
Labor Services Division	\$ 3,823,539	\$ 4,492,416	\$ 4,667,416	\$ 4,492,416	\$ 4,579,916	\$ 756,377
Workers' Compensation Division	3,259,044	3,259,044	3,259,044	3,259,044	3,259,044	0
Operations - Field Offices	9,179,413	9,179,413	9,179,413	8,843,698	9,179,413	0
Offender Reentry Program	358,464	358,464	358,464	358,464	358,464	0
Employee Misclassification Program	451,458	451,458	451,458	451,458	451,458	0
Total Iowa Workforce Development	\$ 17,071,918	\$ 17,740,795	\$ 17,915,795	\$ 17,405,080	\$ 17,828,295	\$ 756,377
<u>Regents, Board of</u>						
Regents, Board of						
ISU - Small Business Development Centers	\$ 101,000	\$ 101,000	\$ 101,000	\$ 101,000	\$ 101,000	\$ 0
Total Regents, Board of	\$ 101,000	\$ 101,000	\$ 101,000	\$ 101,000	\$ 101,000	\$ 0
Total Economic Development	\$ 42,581,886	\$ 44,500,763	\$ 44,275,763	\$ 41,396,735	\$ 42,250,763	\$ -331,123

Summary Data Other Funds

	Estimated FY 2015 (1)	Gov Rec FY 2016 (2)	Senate Action FY 2016 (3)	House Action FY 2016 (4)	Conf. Comm. FY 2016 (5)	FY 2016 Conf. Comm. v. FY 2015 Est. (6)
Economic Development	\$ 27,866,084	\$ 27,866,084	\$ 27,866,084	\$ 27,866,084	\$ 27,866,084	\$ 0
Grand Total	\$ 27,866,084	\$ 27,866,084	\$ 27,866,084	\$ 27,866,084	\$ 27,866,084	\$ 0

Economic Development Other Funds

	Estimated FY 2015 <u>(1)</u>	Gov Rec FY 2016 <u>(2)</u>	Senate Action FY 2016 <u>(3)</u>	House Action FY 2016 <u>(4)</u>	Conf. Comm. FY 2016 <u>(5)</u>	FY 2016 Conf. Comm. v. FY 2015 Est. <u>(6)</u>
<u>Economic Development Authority</u>						
Economic Development Authority						
High Quality Jobs Program - SWJCF	\$ 16,900,000	\$ 16,900,000	\$ 16,900,000	\$ 16,900,000	\$ 16,900,000	\$ 0
Total Economic Development Authority	\$ 16,900,000	\$ 16,900,000	\$ 16,900,000	\$ 16,900,000	\$ 16,900,000	\$ 0
<u>Iowa Workforce Development</u>						
Iowa Workforce Development						
Field Offices - Spec Cont Fund	\$ 1,766,084	\$ 1,766,084	\$ 1,766,084	\$ 1,766,084	\$ 1,766,084	\$ 0
Field Offices - UI Reserve Interest	400,000	400,000	400,000	400,000	400,000	0
AMOS Mid-Iowa Organizing Strategy - SWJCF	100,000	100,000	100,000	100,000	100,000	0
Total Iowa Workforce Development	\$ 2,266,084	\$ 2,266,084	\$ 2,266,084	\$ 2,266,084	\$ 2,266,084	\$ 0
<u>Regents, Board of</u>						
Regents, Board of						
Regents Innovation Fund - SWJCF	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 0
ISU - Economic Development - SWJCF	2,424,302	2,424,302	2,424,302	2,424,302	2,424,302	0
UI - Economic Development - SWJCF	209,279	209,279	209,279	209,279	209,279	0
UI - Entrepreneur and Econ Growth - SWJCF	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	0
UNI - Economic Development - SWJCF	1,066,419	1,066,419	1,066,419	1,066,419	1,066,419	0
Total Regents, Board of	\$ 8,700,000	\$ 8,700,000	\$ 8,700,000	\$ 8,700,000	\$ 8,700,000	\$ 0
Total Economic Development	\$ 27,866,084	\$ 27,866,084	\$ 27,866,084	\$ 27,866,084	\$ 27,866,084	\$ 0

Summary Data

FTE Positions

	Estimated FY 2015 (1)	Gov Rec FY 2016 (2)	Senate Action FY 2016 (3)	House Action FY 2016 (4)	Conf. Comm. FY 2016 (5)	FY 2016 Conf. Comm. v. FY 2015 Est. (6)
Economic Development	564.61	559.80	562.95	559.80	562.23	-2.38
Grand Total	564.61	559.80	562.95	559.80	562.23	-2.38

Economic Development

FTE Positions

	Estimated FY 2015 (1)	Gov Rec FY 2016 (2)	Senate Action FY 2016 (3)	House Action FY 2016 (4)	Conf. Comm. FY 2016 (5)	FY 2016 Conf. Comm. v. FY 2015 Est. (6)
<u>Cultural Affairs, Dept. of</u>						
Cultural Affairs, Dept. of						
Administration Division	1.60	1.60	74.50	59.80	74.50	72.90
Historical Division	40.65	41.90	0.00	0.00	0.00	-40.65
Historic Sites	4.47	4.47	0.00	0.00	0.00	-4.47
Arts Division	9.05	9.05	0.00	0.00	0.00	-9.05
Great Places	1.40	1.40	0.00	0.00	0.00	-1.40
Archiving Former Governor's Papers	0.68	0.68	0.00	0.00	0.00	-0.68
Battle Flag Stabilization	0.70	0.70	0.00	0.00	0.00	-0.70
Total Cultural Affairs, Dept. of	58.55	59.80	74.50	59.80	74.50	15.95
<u>Economic Development Authority</u>						
Economic Development Authority						
Economic Development Appropriation	120.15	120.15	149.00	148.65	149.00	28.85
High Quality Jobs Creations Assistance	19.50	19.50	0.00	0.00	0.00	-19.50
Economic Dev Energy Projects Fund	6.35	6.00	0.00	0.00	0.00	-6.35
Iowa Ind. New Jobs Training (NJT) 260E Fund	3.00	3.00	0.00	0.00	0.00	-3.00
Iowa State Commission	7.00	7.00	7.00	7.00	7.00	0.00
Vision Iowa Program	2.25	2.25	2.25	2.25	2.25	0.00
Total Economic Development Authority	158.25	157.90	158.25	157.90	158.25	0.00
<u>Public Employment Relations Board</u>						
Public Employment Relations						
General Office	10.00	10.00	10.00	10.00	10.00	0.00
Total Public Employment Relations Board	10.00	10.00	10.00	10.00	10.00	0.00
<u>Iowa Workforce Development</u>						
Iowa Workforce Development						
Labor Services Division	54.10	54.10	68.00	54.10	67.00	12.90
Workers' Compensation Division	27.00	27.00	30.00	27.00	30.00	3.00
Field Office Operating Fund	170.96	172.97	130.00	172.97	130.00	-40.96
Offender Reentry Program	4.00	4.00	4.00	4.00	4.00	0.00
Employee Misclassification Program	3.40	3.40	8.10	3.40	8.10	4.70
Total Iowa Workforce Development	259.46	261.47	240.10	261.47	239.10	-20.36

Economic Development

FTE Positions

	Estimated FY 2015 <u>(1)</u>	Gov Rec FY 2016 <u>(2)</u>	Senate Action FY 2016 <u>(3)</u>	House Action FY 2016 <u>(4)</u>	Conf. Comm. FY 2016 <u>(5)</u>	FY 2016 Conf. Comm. v. FY 2015 Est. <u>(6)</u>
<u>Regents, Board of</u>						
Regents, Board of						
ISU - Economic Development - SWJCF	56.63	56.63	56.63	56.63	56.63	0.00
UI - Economic Development - SWJCF	6.00	6.00	6.00	6.00	6.00	0.00
UI - Entrepreneur and Econ Growth - SWJCF	8.00	8.00	9.75	8.00	8.00	0.00
UNI - Economic Development - SWJCF	7.72	0.00	7.72	0.00	9.75	2.03
Total Regents, Board of	<u>78.35</u>	<u>70.63</u>	<u>80.10</u>	<u>70.63</u>	<u>80.38</u>	<u>2.03</u>
Total Economic Development	<u>564.61</u>	<u>559.80</u>	<u>562.95</u>	<u>559.80</u>	<u>562.23</u>	<u>-2.38</u>