

Economic Development Appropriations Bill House File 2337

Last Action:

FINAL ACTION

May 7, 2012

An Act relating to appropriations to the Department of Cultural Affairs, the Economic Development Authority, certain Board of Regents institutions, the Department of Workforce Development, the Iowa Finance Authority, the Rebuild Iowa Infrastructure Fund, and the Public Employment Relations Board, eliminating the Film Tax Credit Program, providing for other properly related matters, including effective date and retroactive and other applicability provisions.

**Fiscal Services Division
Legislative Services Agency**

NOTES ON BILLS AND AMENDMENTS (NOBA)

Available on line at <http://www.legis.iowa.gov/LSAReports/noba.aspx>
LSA Contact: Kenneth Ohms (515-725-2200)

FUNDING SUMMARY

- House File 2337 appropriates a total of \$37.7 million from the General Fund and 552.2 FTE positions for FY 2013. This is an increase of \$1.5 million and 39.9 FTE positions compared to estimated net FY 2012. The Bill also appropriates \$24.5 million from other funds. This is an increase of \$14.9 million compared to estimated net FY 2012.

NOTE: Total funding for FY 2013 includes the previously enacted appropriations for FY 2013 as modified by the *Homan v. Branstad* decision and changes to appropriation amounts proposed in this Bill.

NEW PROGRAMS, SERVICES, OR ACTIVITIES

- **Battle Flag Restoration Fund:** Creates a Battle Flag Restoration Fund within the State Treasury under control of the Department of Cultural Affairs for continuing the stabilization project recommended by the Battle Flag Advisory Committee. The Fund will also collect proceeds from insurance settlements relating to incidences involving Battle Flags that have been loaned to other states or entities. Page 15, Line 21

MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS

- **Department of Cultural Affairs:** Page 1, Line 12
 - An increase of \$200,000 to the Arts Division.
- **Iowa Economic Development Authority:** Page 3, Line 38
 - An increase of \$250,000 for the World Food Prize.
 - A new Rebuild Iowa Infrastructure Fund appropriation of \$15.0 million for the High Quality Jobs Program.
- **Board of Regents** Page 7, Line 13
 - A new Rebuild Iowa Infrastructure Fund appropriation of \$3.0 million to the Regents Innovation Fund.
- **Department of Management** Page 10, Line 21
 - A new Economic Emergency Fund appropriation of \$20.0 million to be deposited into the Rebuild Iowa Infrastructure Fund.

- **Iowa Department of Workforce Development (IWD):**
 - An increase of \$313,000 to the Division of Workers' Compensation.
 - An increase of \$508,000 to Operations and Field Offices
 - An increase of \$410,000 from the Special Contingency Fund for Field Offices.
 - A decrease of \$3.6 million in authorized expenditures from the Unemployment Compensation Reserve Fund interest used for Field Offices.

Page 12, Line 7

STUDIES AND INTENT LANGUAGE

- **Nonreversion:** Requires nonreversion of the High Quality Jobs Program appropriation.
- **Required Report:** Requires the Board of Regents to submit a report to the Governor, General Assembly, and Legislative Services Agency regarding the activities, projects, and programs funded by the Regents Innovation Fund Appropriation.
- **Legislative Intent:** Requires the Workers' Compensation Division to spend \$153,000 to hire a Chief Deputy Commissioner.
- **Nonreversion:** Requires nonreversion of specified General Fund appropriations to the IWD.
- **Legislative Intent:** Requires the IWD to create a unique login for users that access Workforce Development Centers through electronic access points.
- **Acts Amended:** Revises the allocation for the Iowans Helping Iowa business assistance program in FY 2011.

Page 10, Line 39

Page 11, Line 25

Page 12, Line 38

Page 13, Line 24

Page 14, Line 19

Page 14, Line 25

SIGNIFICANT CODE CHANGES

- **Economic Development Fund:** Revises the allocation of the Economic Development (formerly the Grow Iowa Values) Fund to allow for the FY 2013 allocation to the Councils of Governments from the interest earned on the Fund.
- **Wine Gallonage Tax Fund:** Increases the Wine Gallonage Tax Fund standing appropriation from \$120,000 to \$250,000.
- **Film Office:** Establishes a Film Office within the DCA.

Page 15, Line 2

Page 15, Line 15

Page 16, Line 11

- **Film Tax Credits:** Repeals the film, television, and video project promotion tax credits and makes conforming changes.

Page 16, Line 32

EFFECTIVE AND ENACTMENT DATES

- The sections of Division III relating to changes to prior appropriations and allocations are effective on enactment.
- Division IV, creating the Film Office and repealing the Film, Television, and Video Promotion Tax Credits, is effective on enactment and certain provisions apply retroactively to the tax year beginning January 1, 2012.

Page 15, Line 40

Page 17, Line 4

House File 2337 provides for the following changes to the Code of Iowa.

| Page # | Line # | Bill Section | Action | Code Section | Description |
|--------|--------|--------------|--------------------|--|-------------|
| 15 | 2 | 25 | Strike and Replace | 15G.111.2.b.(1) | |
| 15 | 15 | 26 | Amend | 123.183.2.b.(2).(a) | |
| 16 | 6 | 29 | Strike | 2.48.3.c.(5) | |
| 16 | 9 | 30 | Strike | 15.119.2.b | |
| 16 | 11 | 31 | Add | 303.1.4.e | |
| 16 | 14 | 32 | New | 303.95 | |
| 16 | 22 | 33 | Strike | 422.7.52 | |
| 16 | 24 | 34 | Strike | 422.33.23,24 | |
| 16 | 26 | 35 | Strike | 422.35.23 | |
| 16 | 28 | 36 | Strike | 422.60.10,11 | |
| 16 | 30 | 37 | Strike | 533.329.2.f,g | |
| 16 | 32 | 38 | Repeal | 15.391;15.392;15.393;422.11T;422.11U;432.12J;432.12K | |

1 10 DIVISION I
 1 11 GENERAL APPROPRIATIONS
 1 12 Section 1. 2011 Iowa Acts, chapter 130, section 48, is
 1 13 amended to read as follows:

1 14 SEC. 48. DEPARTMENT OF CULTURAL AFFAIRS. There is
 1 15 appropriated from the general fund of the state to the
 1 16 department of cultural affairs for the fiscal year beginning
 1 17 July 1, 2012, and ending June 30, 2013, the following amounts,
 1 18 or so much thereof as is necessary, to be used for the purposes
 1 19 designated:

1 20 1. ADMINISTRATION
 1 21 For salaries, support, maintenance, miscellaneous purposes,
 1 22 and for not more than the following full-time equivalent
 1 23 positions for the department:
 1 24 \$ 85,907
 1 25 171,813
 1 26 FTEs 74.50

General Fund appropriation to the Department of Cultural Affairs (DCA) for the Administration Division.

DETAIL: Total funding for FY 2013 is no change compared to estimated net FY 2012.

1 27 The department of cultural affairs shall coordinate
 1 28 activities with the tourism office of the ~~department of~~
 1 29 economic development authority to promote attendance at the
 2 1 state historical building and at this state's historic sites.
 2 2 Full-time equivalent positions authorized under this
 2 3 subsection shall be funded, in full or in part, using moneys
 2 4 appropriated under this subsection and subsections 3 through 7.

Conforming change to reflect the name change of the Iowa Economic Development Authority (IEDA).

2 5 2. COMMUNITY CULTURAL GRANTS
 2 6 For planning and programming for the community cultural
 2 7 grants program established under section 303.3:
 2 8 \$ 86,045
 2 9 172,090

General Fund appropriation to the DCA for the Community Cultural Grants Program.

DETAIL: Total funding for FY 2013 is no change compared to estimated net FY 2012.

2 10 3. HISTORICAL DIVISION
 2 11 For the support of the historical division:
 2 12 \$ 1,383,854
 2 13 2,767,701

General Fund appropriation to the DCA for the Historical Division.

DETAIL: Total funding for FY 2013 is no change compared to estimated net FY 2012.

2 14 4. HISTORIC SITES
 2 15 For the administration and support of historic sites:
 2 16 \$ 213,199
 2 17 426,398

General Fund appropriation to the DCA for Historic Sites.

DETAIL: Total funding for FY 2013 is no change compared to estimated net FY 2012.

| | |
|--|--|
| <p>2 18 5. ARTS DIVISION</p> <p>2 19 For the support of the arts division:</p> <p>2 20\$ 466,882</p> <p>2 21 .....<u>1,133,764</u></p> <p>2 22 6. IOWA GREAT PLACES</p> <p>2 23 For the Iowa great places program established under section</p> <p>2 24 303.3C:</p> <p>2 25\$ 75,000</p> <p>2 26 .....<u>150,000</u></p> <p>2 27 7. ARCHIVE IOWA GOVERNORS' RECORDS</p> <p>2 28 For archiving the records of Iowa governors:</p> <p>2 29\$ 32,967</p> <p>2 30 .....<u>65,933</u></p> <p>2 31 8. RECORDS CENTER RENT</p> <p>2 32 For payment of rent for the state records center:</p> <p>2 33\$ 113,622</p> <p>2 34 .....<u>227,243</u></p> <p>2 35 9. BATTLE FLAGS</p> <p>2 36 For continuation of the project recommended by the Iowa</p> <p>2 37 battle flag advisory committee to stabilize the condition of</p> <p>2 38 the battle flag collection:</p> <p>2 39\$ 30,000</p> <p>2 40 .....<u>60,000</u></p> <p>2 41 Sec. 2. 2011 Iowa Acts, chapter 130, section 49, is amended</p> <p>2 42 to read as follows:</p> <p>2 43 SEC. 49. GOALS AND ACCOUNTABILITY — ECONOMIC DEVELOPMENT.</p> <p>3 1 1. For the fiscal year beginning July 1, 2012, the goals for</p> <p>3 2 the department of economic development authority shall be to</p> <p>3 3 expand and stimulate the state economy, increase the wealth of</p> <p>3 4 Iowans, and increase the population of the state.</p> <p>3 5 2. To achieve the goals in subsection 1, the department of</p> <p>3 6 economic development <u>authority</u> shall do all of the following</p> <p>3 7 for the fiscal year beginning July 1, 2012:</p> <p>3 8 a. Concentrate its efforts on programs and activities that</p> <p>3 9 result in commercially viable products and services.</p> <p>3 10 b. Adopt practices and services consistent with free</p> <p>3 11 market, private sector philosophies.</p> | <p>General Fund appropriation to the DCA for the Arts Division.</p> <p>DETAIL: Total funding for FY 2013 is an increase of \$200,000 compared to estimated net FY 2012. The increase is for the DCA to operate a Film Office.</p> <p>General Fund appropriation to the DCA for the Great Places Initiative.</p> <p>DETAIL: Total funding for FY 2013 is no change compared to estimated net FY 2012.</p> <p>General Fund appropriation to the DCA for archiving papers of former governors.</p> <p>DETAIL: Total funding for FY 2013 is no change compared to estimated net FY 2012.</p> <p>General Fund appropriation to the DCA for rent at the Records Center.</p> <p>DETAIL: Total funding for FY 2013 is no change compared to estimated net FY 2012.</p> <p>General Fund appropriation to the DCA for stabilizing the condition of the Battle Flag Collection.</p> <p>DETAIL: Total funding for FY 2013 is no change compared to estimated net FY 2012.</p> <p>Conforming change to reflect the name change of the IEDA.</p> |
|--|--|

- 3 12 c. Ensure economic growth and development throughout the
- 3 13 state.
- 3 14 d. Work with businesses and communities to continually
- 3 15 improve the economic development climate along with the
- 3 16 economic well-being and quality of life for lowans.
- 3 17 e. Coordinate with other state agencies to ensure that they
- 3 18 are attentive to the needs of an entrepreneurial culture.
- 3 19 f. Establish a strong and aggressive marketing image to
- 3 20 showcase Iowa's workforce, existing industry, and potential.
- 3 21 A priority shall be placed on recruiting new businesses,
- 3 22 business expansion, and retaining existing Iowa businesses.
- 3 23 Emphasis shall be placed on entrepreneurial development through
- 3 24 helping entrepreneurs secure capital, and developing networks
- 3 25 and a business climate conducive to entrepreneurs and small
- 3 26 businesses.
- 3 27 g. Encourage the development of communities and quality of
- 3 28 life to foster economic growth.
- 3 29 h. Prepare communities for future growth and development
- 3 30 through development, expansion, and modernization of
- 3 31 infrastructure.
- 3 32 i. Develop public-private partnerships with Iowa businesses
- 3 33 in the tourism industry, Iowa tour groups, Iowa tourism
- 3 34 organizations, and political subdivisions in this state to
- 3 35 assist in the development of advertising efforts.
- 3 36 j. Develop, to the fullest extent possible, cooperative
- 3 37 efforts for advertising with contributions from other sources.

3 38 Sec. 3. 2011 Iowa Acts, chapter 130, section 50, subsections
 3 39 1, 2, 4, 5, and 6, are amended to read as follows:

3 40 1. APPROPRIATION

3 41 There is appropriated from the general fund of the state to
 3 42 the ~~department of economic development~~ authority for the fiscal
 3 43 year beginning July 1, 2012, and ending June 30, 2013, the
 4 1 following amounts, or so much thereof as is necessary, to be
 4 2 used for the purposes designated in subsection 2, and for not
 4 3 more than the following full-time equivalent positions:

| | | | |
|-----|-------|------|------------------|
| 4 4 | ..... | \$ | 4,891,712 |
| 4 5 | | | <u>9,783,424</u> |
| 4 6 | ..... | FTEs | 149.00 |

General Fund appropriation to the IEDA.

DETAIL: Total funding for FY 2013 is no change compared to estimated net FY 2012.

4 7 2. DESIGNATED PURPOSES

- 4 8 a. For salaries, support, miscellaneous purposes, programs,
- 4 9 and the maintenance of an administration division, a business
- 4 10 development division, and a community development division.
- 4 11 b. The full-time equivalent positions authorized under this

Conforming change to reflect the name change of the IEDA and to remove the responsibility of operating the Film Office.

4 12 section shall be funded, in whole or in part, by the moneys
 4 13 appropriated under subsection 1 or by other moneys received by
 4 14 the ~~department authority~~, including certain federal moneys.
 4 15 c. For business development operations and programs, ~~the~~
 4 16 ~~film office~~, international trade, export assistance, workforce
 4 17 recruitment, and the partner state program.
 4 18 d. For transfer to the strategic investment fund created in
 4 19 section 15.313.
 4 20 e. For community economic development programs, tourism
 4 21 operations, community assistance, plans for Iowa green corps
 4 22 and summer youth programs, the mainstreet and rural mainstreet
 4 23 programs, the school-to-career program, the community
 4 24 development block grant, and housing and shelter-related
 4 25 programs.
 4 26 f. For achieving the goals and accountability, and
 4 27 fulfilling the requirements and duties required under this Act.

4 28 4. FINANCIAL ASSISTANCE RESTRICTIONS

4 29 a. A business creating jobs through moneys appropriated in
 4 30 this section shall be subject to contract provisions requiring
 4 31 new and retained jobs to be filled by individuals who are
 4 32 citizens of the United States who reside within the United
 4 33 States or any person authorized to work in the United States
 4 34 pursuant to federal law, including legal resident aliens in the
 4 35 United States.
 4 36 b. Any vendor who receives moneys appropriated in this
 4 37 section shall adhere to such contract provisions and provide
 4 38 periodic assurances as the state shall require that the jobs
 4 39 are filled solely by citizens of the United States who reside
 4 40 within the United States or any person authorized to work in
 4 41 the United States pursuant to federal law, including legal
 4 42 resident aliens in the United States.
 4 43 c. A business that receives financial assistance from the
 5 1 ~~department authority~~ from moneys appropriated in this section
 5 2 shall only employ individuals legally authorized to work in
 5 3 this state. In addition to all other applicable penalties
 5 4 provided by current law, all or a portion of the assistance
 5 5 received by a business which is found to knowingly employ
 5 6 individuals not legally authorized to work in this state is
 5 7 subject to recapture by the ~~department authority~~.

Conforming change to reflect the name change of the IEDA.

5 8 5. USES OF APPROPRIATIONS

5 9 a. From the moneys appropriated in this section, the
 5 10 ~~department authority~~ may provide financial assistance in the
 5 11 form of a grant to a community economic development entity for
 5 12 conducting a local workforce recruitment effort designed to

Conforming change to reflect the name change of the IEDA.

5 13 recruit former citizens of the state and former students at
 5 14 colleges and universities in the state to meet the needs of
 5 15 local employers.
 5 16 b. From the moneys appropriated in this section, the
 5 17 ~~department authority~~ may provide financial assistance to
 5 18 early stage industry companies being established by women
 5 19 entrepreneurs.

5 20 c. From the moneys appropriated in this section, the
 5 21 ~~department authority~~ may provide financial assistance in
 5 22 the form of grants, loans, or forgivable loans for advanced
 5 23 research and commercialization projects involving value-added
 5 24 agriculture, advanced technology, or biotechnology.

5 25 d. The ~~department authority~~ shall not use any moneys
 5 26 appropriated in this section for purposes of providing
 5 27 financial assistance for the Iowa green streets pilot
 5 28 project or for any other program or project that involves the
 5 29 installation of geothermal systems for melting snow and ice
 5 30 from streets or sidewalks.

5 31 6. WORLD FOOD PRIZE

5 32 For allocating moneys for the world food prize and
 5 33 ~~notwithstanding in lieu of~~ the standing appropriation in
 5 34 section 15.368, subsection 1:

| | | |
|------|----------|----------------|
| 5 35 | \$ | 250,000 |
| 5 36 | | <u>750,000</u> |

General Fund appropriation to the World Food Prize.

DETAIL: Total funding for FY 2013 is an increase of \$250,000 compared to estimated net FY 2012.

5 37 Sec. 4. 2011 Iowa Acts, chapter 130, section 50, subsection
 5 38 7, unnumbered paragraphs 1 and 2, are amended to read as
 5 39 follows:

5 40 For allocation to the Iowa commission on volunteer service
 5 41 for the Iowa's promise and mentoring partnership programs, for
 5 42 transfer to the Iowa state commission grant program, and for
 5 43 not more than the following full-time equivalent positions:

| | | |
|-----|------------|----------------|
| 6 1 | \$ | 89,067 |
| 6 2 | | <u>178,133</u> |
| 6 3 | FTEs | 7.00 |

General Fund appropriation to the Iowa Commission on Volunteer Service.

DETAIL: Total funding for FY 2013 is no change compared to estimated net FY 2012.

6 4 Of the moneys appropriated in this subsection, the
 6 5 ~~department authority~~ shall allocate ~~\$37,500~~ \$75,000 for
 6 6 purposes of the Iowa state commission grant program and ~~\$51,567~~
 6 7 \$103,133 for purposes of the Iowa's promise and mentoring
 6 8 partnership programs.

Allocates \$75,000 of the General Fund appropriation to the Iowa Commission on Volunteer Service for the Iowa State Commission Grant Program and \$103,133 for the Iowa Promise and Mentoring Partnership Program.

DETAIL: These allocations are no change compared to the FY 2012 allocations.

6 9 Sec. 5. 2011 Iowa Acts, chapter 130, section 51, is amended
 6 10 to read as follows:
 6 11 SEC. 51. VISION IOWA PROGRAM — FTE AUTHORIZATION. For
 6 12 purposes of administrative duties associated with the vision
 6 13 Iowa program for the fiscal year beginning July 1, 2012, the
 6 14 ~~department of economic development~~ authority is authorized an
 6 15 additional 2.25 FTEs above those otherwise authorized in this
 6 16 division of this Act.

Conforming change to reflect the name change of the IEDA.

6 17 Sec. 6. 2011 Iowa Acts, chapter 130, section 52, is amended
 6 18 to read as follows:
 6 19 SEC. 52. INSURANCE ECONOMIC DEVELOPMENT. From the moneys
 6 20 collected by the division of insurance in excess of the
 6 21 anticipated gross revenues under section 505.7, subsection
 6 22 3, during the fiscal year beginning July 1, 2012, \$100,000
 6 23 shall be transferred to the ~~department of economic development~~
 6 24 authority for insurance economic development and international
 6 25 insurance economic development.

Conforming change to reflect the name change of the IEDA.

6 26 Sec. 7. 2011 Iowa Acts, chapter 130, section 53, is amended
 6 27 to read as follows:
 6 28 SEC. 53. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding
 6 29 section 15E.120, subsection 5, there is appropriated from the
 6 30 Iowa community development loan fund all moneys available
 6 31 during the fiscal year beginning July 1, 2012, and ending June
 6 32 30, 2013, to the ~~department of economic development~~ authority
 6 33 for purposes of the community development program.

Conforming change to reflect the name change of the IEDA.

6 34 Sec. 8. 2011 Iowa Acts, chapter 130, section 54, is amended
 6 35 to read as follows:
 6 36 SEC. 54. WORKFORCE DEVELOPMENT FUND. There is appropriated
 6 37 from the workforce development fund account created in section
 6 38 15.342A to the workforce development fund created in section
 6 39 15.343 for the fiscal year beginning July 1, 2012, and ending
 6 40 June 30, 2013, the following amount, for purposes of the
 6 41 workforce development fund:

Workforce Development Fund Account appropriation to the Workforce Development Fund Program.

| | | | |
|------|-------|----|------------------|
| 6 42 | ..... | \$ | 2,000,000 |
| 6 43 | | | <u>4,000,000</u> |

DETAIL: Total funding for FY 2013 is no change compared to estimated net FY 2012.

7 1 Sec. 9. 2011 Iowa Acts, chapter 130, section 55, is amended
 7 2 to read as follows:
 7 3 SEC. 55. WORKFORCE DEVELOPMENT ADMINISTRATION.
 7 4 From moneys appropriated or transferred to or receipts credited

Conforming change to reflect the name change of the IEDA.

7 5 to the workforce development fund created in section 15.343,
 7 6 up to \$400,000 for the fiscal year beginning July 1, 2012,
 7 7 and ending June 30, 2013, are appropriated to the ~~department~~
 7 8 ~~of economic development~~ authority for the administration of
 7 9 workforce development activities including salaries, support,
 7 10 maintenance, and miscellaneous purposes, and for not more than
 7 11 the following full-time equivalent positions:
 7 12 FTEs 4.00

7 13 Sec. 10. 2011 Iowa Acts, chapter 130, section 57, is amended
 7 14 to read as follows:

7 15 SEC. 57. IOWA STATE UNIVERSITY.

7 16 1. There is appropriated from the general fund of the state
 7 17 to Iowa State University of Science and Technology for the
 7 18 fiscal year beginning July 1, 2012, and ending June 30, 2013,
 7 19 the following amount, or so much thereof as is necessary, to
 7 20 be used for small business development centers, the science
 7 21 and technology research park, and the institute for physical
 7 22 research and technology, and for not more than the following
 7 23 full-time equivalent positions:

7 24 \$ 1,212,151
 7 25 2,424,302
 7 26 FTEs 56.63

7 27 2. Of the moneys appropriated in subsection 1, Iowa State
 7 28 University of Science and Technology shall allocate at least
 7 29 ~~\$468,478~~ \$735,728 for purposes of funding small business
 7 30 development centers. Iowa State University of Science and
 7 31 Technology may allocate moneys appropriated in subsection 1 to
 7 32 the various small business development centers in any manner
 7 33 necessary to achieve the purposes of this subsection.

7 34 3. Iowa State University of Science and Technology shall do
 7 35 all of the following:

7 36 a. Direct expenditures for research toward projects that
 7 37 will provide economic stimulus for Iowa.

7 38 b. Provide emphasis to providing services to Iowa-based
 7 39 companies.

7 40 4. It is the intent of the general assembly that the
 7 41 industrial incentive program focus on Iowa industrial
 7 42 sectors and seek contributions and in-kind donations from
 7 43 businesses, industrial foundations, and trade associations,
 8 1 and that moneys for the institute for physical research and
 8 2 technology industrial incentive program shall be allocated
 8 3 only for projects which are matched by private sector moneys
 8 4 for directed contract research or for nondirected research.

General Fund appropriation to Iowa State University (ISU) for the Small Business Development Centers (SBDCs), Research Park, and Institute for Physical Research and Technology.

DETAIL: Total funding for FY 2013 is no change compared to estimated net FY 2012.

Requires an allocation of \$735,728 for SBDCs and allows ISU to allocate the moneys to the SBDCs in any manner necessary to achieve this purpose.

DETAIL: This is a decrease of \$200,617 compared to the FY 2012 allocation. The decreased amount matches the amount used by the SBDCs for federal match to the U.S. Small Business Administration program in FY 2012.

Conforming change to reflect the Iowa Code location of the definition of "small business."

8 5 The match required of small businesses as defined in section
 8 6 15.102, subsection 6 10, for directed contract research or for
 8 7 nondirected research shall be \$1 for each \$3 of state funds.
 8 8 The match required for other businesses for directed contract
 8 9 research or for nondirected research shall be \$1 for each \$1 of
 8 10 state funds. The match required of industrial foundations or
 8 11 trade associations shall be \$1 for each \$1 of state funds.
 8 12 Iowa state university of science and technology shall
 8 13 report annually to the joint appropriations subcommittee on
 8 14 economic development and the legislative services agency the
 8 15 total amount of private contributions, the proportion of
 8 16 contributions from small businesses and other businesses, and
 8 17 the proportion for directed contract research and nondirected
 8 18 research of benefit to Iowa businesses and industrial sectors.
 8 19 5. 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 the
 8 23 close of the succeeding fiscal year.

8 24 Sec. 11. 2011 Iowa Acts, chapter 130, section 58, is amended
 8 25 to read as follows:

8 26 SEC. 58. UNIVERSITY OF IOWA.

8 27 1. There is appropriated from the general fund of the state
 8 28 to the state university of Iowa for the fiscal year beginning
 8 29 July 1, 2012, and ending June 30, 2013, the following amount,
 8 30 or so much thereof as is necessary, to be used for the state
 8 31 university of Iowa research park and for the advanced drug
 8 32 development program at the Oakdale research park, including
 8 33 salaries, support, maintenance, equipment, miscellaneous
 8 34 purposes, and for not more than the following full-time
 8 35 equivalent positions:

| | | |
|------------|------|----------------|
| 8 36 | \$ | 104,640 |
| 8 37 | | <u>209,279</u> |
| 8 38 | FTEs | 6.00 |

8 39 2. The state university of Iowa shall do all of the
 8 40 following:

8 41 a. Direct expenditures for research toward projects that
 8 42 will provide economic stimulus for Iowa.

8 43 b. Provide emphasis to providing services to Iowa-based
 9 1 companies.

9 2 3. Notwithstanding section 8.33, moneys appropriated in
 9 3 this section that remain unencumbered or unobligated at the
 9 4 close of the fiscal year shall not revert but shall remain
 9 5 available for expenditure for the purposes designated until the
 9 6 close of the succeeding fiscal year.

General Fund appropriation to the University of Iowa (UI) for the Research Park, Technology Innovation Center, and Iowa Pharmaceuticals.

DETAIL: Total funding for FY 2013 is no change compared to estimated net FY 2012.

9 7 Sec. 12. 2011 Iowa Acts, chapter 130, section 59, is amended
9 8 to read as follows:

9 9 SEC. 59. UNIVERSITY OF NORTHERN IOWA.

9 10 1. There is appropriated from the general fund of the
9 11 state to the university of northern iowa for the fiscal year
9 12 beginning July 1, 2012, and ending June 30, 2013, the following
9 13 amount, or so much thereof as is necessary, to be used for the
9 14 metal casting institute, the MyEntreNet internet application,
9 15 and the institute of decision making, including salaries,
9 16 support, maintenance, miscellaneous purposes, and for not more
9 17 than the following full-time equivalent positions:

| | | |
|------|------------|----------------|
| 9 18 | \$ | 287,358 |
| 9 19 | | <u>574,716</u> |
| 9 20 | FTEs | 6.75 |

9 21 2. Of the moneys appropriated pursuant to subsection 1, the
9 22 university of northern iowa shall allocate at least ~~\$58,820~~
9 23 \$117,639 for purposes of support of entrepreneurs through the
9 24 university's regional business center.

9 25 3. The university of northern iowa shall do all of the
9 26 following:

- 9 27 a. Direct expenditures for research toward projects that
- 9 28 will provide economic stimulus for Iowa.
- 9 29 b. Provide emphasis to providing services to Iowa-based
- 9 30 companies.

9 31 4. Notwithstanding section 8.33, moneys appropriated in
9 32 this section that remain unencumbered or unobligated at the
9 33 close of the fiscal year shall not revert but shall remain
9 34 available for expenditure for the purposes designated until the
9 35 close of the succeeding fiscal year.

9 36 Sec. 13. 2011 Iowa Acts, chapter 130, section 67, subsection
9 37 1, is amended to read as follows:

9 38 1. There is appropriated from the general fund of the state
9 39 to the Iowa finance authority for the fiscal year beginning
9 40 July 1, 2012, and ending June 30, 2013, the following amount,
9 41 or so much thereof as is necessary, to be used to provide
9 42 reimbursement for rent expenses to eligible persons under the
9 43 rent subsidy program:

| | | |
|------|----------|----------------|
| 10 1 | \$ | 329,000 |
| 10 2 | | <u>658,000</u> |

10 3 Sec. 14. 2011 Iowa Acts, chapter 130, section 69, is amended
10 4 to read as follows:

10 5 SEC. 69. PUBLIC EMPLOYMENT RELATIONS BOARD.

10 6 1. There is appropriated from the general fund of the state

General Fund appropriation to the University of Northern Iowa (UNI) for the Metal Casting Institute, the MyEntre.Net Internet application, and the Institute for Decision Making.

DETAIL: Total funding for FY 2013 is no change compared to estimated net FY 2012.

Requires the UNI to allocate at least \$117,639 to the My Concierge Program and the Regional Business Center.

DETAIL: This is no change compared to the FY 2012 allocation.

General Fund appropriation to the Iowa Finance Authority for the Rent Subsidy Program.

DETAIL: Total funding for FY 2013 is no change compared to estimated net FY 2012.

General Fund appropriation to the Public Employment Relations Board (PERB).

DETAIL: This is an increase of \$220,555 compared to estimated net

10 7 to the public employment relations board for the fiscal year
 10 8 beginning July 1, 2012, and ending June 30, 2013, the following
 10 9 amount, or so much thereof as is necessary, for the purposes
 10 10 designated:
 10 11 For salaries, support, maintenance, miscellaneous purposes,
 10 12 and for not more than the following full-time equivalent
 10 13 positions:

| | | | |
|-------|-------|------|------------------|
| 10 14 | ..... | \$ | 528,936 |
| 10 15 | ..... |  | <u>1,278,426</u> |
| 10 16 | ..... | FTEs | 10.00 |

10 17 2. Of the moneys appropriated in this section, the board
 10 18 shall allocate \$15,000 for maintaining a website that allows
 10 19 searchable access to a database of collective bargaining
 10 20 information.

10 21 Sec. 15. IOWA ECONOMIC EMERGENCY FUND — APPROPRIATION.

10 22 There is appropriated from the Iowa economic emergency fund
 10 23 created in section 8.55 to the department of management for
 10 24 the fiscal year beginning July 1, 2012, and ending June 30,
 10 25 2013, the following amount for deposit in the rebuild Iowa
 10 26 infrastructure fund, notwithstanding section 8.55, subsection
 10 27 1, and subsection 3, paragraph "a":
 10 28

| | | | |
|-------|-------|----|------------|
| 10 28 | | \$ | 20,000,000 |
|-------|-------|----|------------|

10 29 Sec. 16. BUSINESS DEVELOPMENT FINANCIAL ASSISTANCE. There

10 30 is appropriated from the rebuild Iowa infrastructure fund
 10 31 to the economic development authority for the fiscal year
 10 32 beginning July 1, 2012, and ending June 30, 2013, the following
 10 33 amount to be used for the purposes of providing assistance
 10 34 under the high quality jobs program as described in section
 10 35 15.335B, if enacted by the 2012 regular session of the
 10 36 Eighty-fourth General Assembly, notwithstanding section 8.57,
 10 37 subsection 6, paragraph "c":
 10 38

| | | | |
|-------|-------|----|------------|
| 10 38 | | \$ | 15,000,000 |
|-------|-------|----|------------|

10 39 Notwithstanding section 8.33, moneys appropriated in this
 10 40 section that remain unencumbered or unobligated at the close of
 10 41 the fiscal year shall not revert but shall remain available for
 10 42 expenditure for the purposes designated until the close of the
 10 43 succeeding fiscal year.

11 1 Sec. 17. REGENTS INNOVATION FUND.

11 2 1. There is appropriated from the rebuild Iowa
 11 3 infrastructure fund to the institutions of higher learning
 11 4 under the control of the state board of regents for the fiscal
 11 5 year beginning July 1, 2012, and ending June 30, 2013, the
 11 6 following amount to be used for the purposes provided in this

FY 2012. The increase is for the following:

- \$90,555 for the salary and benefits of the third board member.
- \$130,000 for PERB training related to interest-based bargaining, mediator training, and interest arbitration.

Economic Emergency Fund appropriation to the Department of Management to be deposited in the Rebuild Iowa Infrastructure Fund (RIIF).

DETAIL: This is a new appropriation.

RIIF appropriation to the IEDA for the High Quality Jobs Program.

DETAIL: The appropriation to this program from the RIIF is new. Previously, the IEDA operated the Economic Development (formerly Grow Iowa Values) Fund, and appropriations were made from the RIIF for FY 2009 through FY 2012.

Requires nonreversion of funds appropriated to the IEDA for the High Quality Jobs Program.

RIIF appropriation to ISU, the UI, and the UNI for commercialization of research.

DETAIL: This is a new RIIF appropriation. Previously, the Regents institutions received support from allocations from the Economic Development Fund appropriation. The appropriations to the Economic

11 7 section, notwithstanding section 8.57, subsection 6, paragraph
 11 8 "c":
 11 9 \$ 3,000,000

Development Fund were made from the RIIF for fiscal years 2009-2012.

11 10 Of the moneys appropriated pursuant to this section,
 11 11 thirty-five percent shall be allocated for Iowa state
 11 12 university, thirty-five percent shall be allocated for
 11 13 university of Iowa, and thirty percent shall be allocated for
 11 14 university of northern Iowa.

Requires the money appropriated be allocated in the following manner:

- \$1,050,000 to ISU.
- \$1,050,000 to the UI.
- \$900,000 to the UNI.

11 15 2. The institutions shall use moneys appropriated in
 11 16 this section for capacity building infrastructure in areas
 11 17 related to technology commercialization, marketing and
 11 18 business development efforts in areas related to technology
 11 19 commercialization, entrepreneurship, and business growth, and
 11 20 infrastructure projects and programs needed to assist in the
 11 21 implementation of activities under chapter 262B.

Requires funds appropriated in this Section to be used for activities related to the commercialization of research.

11 22 3. The institutions shall provide a one-to-one match
 11 23 of additional moneys for the activities funded with moneys
 11 24 appropriated under this section.

Requires a 1:1 match of funds appropriated in this Section.

11 25 4. The state board of regents shall annually prepare a
 11 26 report for submission to the governor, the general assembly,
 11 27 and the legislative services agency regarding the activities,
 11 28 projects, and programs funded with moneys allocated under this
 11 29 section. The report shall be provided in an electronic format
 11 30 and shall include a list of metrics and criteria mutually
 11 31 agreed to in advance by the board of regents and the economic
 11 32 development authority. The metrics and criteria shall allow
 11 33 the governor's office and the general assembly to quantify and
 11 34 evaluate the progress of the board of regents institutions with
 11 35 regard to their activities, projects, and programs in the areas
 11 36 of technology commercialization, entrepreneurship, regional
 11 37 development, and market research.

Requires the Board of Regents to report to the Governor, General Assembly, and LSA on the activities, projects, and programs funded by this appropriation. The report must be submitted electronically, and the Board of Regents must consult with the IEDA on the metrics and criteria of the report.

11 38 DIVISION II
 11 39 FY 2012-2013 WORKFORCE DEVELOPMENT APPROPRIATIONS

11 40 Sec. 18. LEGISLATIVE FINDINGS. It is the finding of the
 11 41 general assembly that the recent Iowa supreme court decision of
 11 42 Homan v.Branstad, No.11-2022, March 16, 2012, has invalidated
 11 43 the proper enactment of certain provisions contained in the
 12 1 2011 Iowa Acts, chapter 130 (Senate File 517). It is the
 12 2 intent of the general assembly to reenact, as amended, certain
 12 3 invalidated provisions of Senate File 517 that were published
 12 4 in the 2011 Iowa Acts and to validate actions entered into

12 5 in reliance on the enactment of the invalidated provisions
12 6 published in the 2011 Iowa Acts.

12 7 Sec. 19. DEPARTMENT OF WORKFORCE DEVELOPMENT. There
12 8 is appropriated from the general fund of the state to the
12 9 department of workforce development for the fiscal year
12 10 beginning July 1, 2012, and ending June 30, 2013, the following
12 11 amounts, or so much thereof as is necessary, for the purposes
12 12 designated:

12 13 1. DIVISION OF LABOR SERVICES

12 14 a. For the division of labor services, including salaries,
12 15 support, maintenance, miscellaneous purposes, and for not more
12 16 than the following full-time equivalent positions:

| | | | |
|-------|-------|------|-----------|
| 12 17 | ..... | \$ | 3,495,440 |
| 12 18 | ..... | FTEs | 64.00 |

General Fund appropriation to the Division of Labor Services of the Iowa Department of Workforce Development (IWD).

DETAIL: Total funding for FY 2013 is no change compared to estimated net FY 2012.

12 19 b. From the contractor registration fees, the division of
12 20 labor services shall reimburse the department of inspections
12 21 and appeals for all costs associated with hearings under
12 22 chapter 91C, relating to contractor registration.

Requires the Division of Labor Services to reimburse the Employment Appeals Board in the Department of Inspections and Appeals for the costs associated with hearings related to contractor registration from contractor registration fees.

12 23 2. DIVISION OF WORKERS' COMPENSATION

12 24 a. For the division of workers' compensation, including
12 25 salaries, support, maintenance, miscellaneous purposes, and for
12 26 not more than the following full-time equivalent positions:

| | | | |
|-------|-------|------|-----------|
| 12 27 | ..... | \$ | 3,262,044 |
| 12 28 | ..... | FTEs | 30.00 |

General Fund appropriation to the Division of Workers' Compensation of the IWD.

DETAIL: Total funding for FY 2013 is an increase of \$313,000 and no change in FTE positions compared to estimated net FY 2012. The increase is for a Chief Deputy Commissioner and a Deputy Commissioner.

12 29 b. The division of workers' compensation shall charge a
12 30 \$100 filing fee for workers' compensation cases. The filing
12 31 fee shall be paid by the petitioner of a claim. However, the
12 32 fee can be taxed as a cost and paid by the losing party, except
12 33 in cases where it would impose an undue hardship or be unjust
12 34 under the circumstances. The moneys generated by the filing
12 35 fee allowed under this subsection are appropriated to the
12 36 department of workforce development to be used for purposes of
12 37 administering the division of workers' compensation.

Requires the Workers' Compensation Division to continue to charge a \$100 filing fee for workers' compensation cases. Permits the losing party to be taxed for the fee, unless it would impose an undue hardship or be unjust. Appropriates the fees collected to the IWD to be used for the administration of the Workers' Compensation Division.

12 38 c. Of the moneys appropriated under this subsection, the
12 39 department shall allocate \$153,000 for the purpose of employing
12 40 a chief deputy commissioner.

Requires the Workers' Compensation Division to spend \$153,000 to hire a Chief Deputy Commissioner.

12 41 3. WORKFORCE DEVELOPMENT OPERATIONS

General Fund appropriation to the IWD for the operation of Field

12 42 a. For the operation of field offices, the workforce
 12 43 development board, and for not more than the following
 13 1 full-time equivalent positions:
 13 2 \$ 9,179,413
 13 3 FTEs 130.00

Offices, and the Workforce Development Board.

DETAIL: Total funding for FY 2013 is an increase of \$508,061 and no change in FTE positions compared to estimated net FY 2012.

13 4 b. Of the moneys appropriated in paragraph "a" of this
 13 5 subsection, the department shall allocate at least \$1,130,602
 13 6 for the operation of satellite field offices in Decorah,
 13 7 Fort Madison, Iowa City, and Webster City, and of the moneys
 13 8 appropriated in paragraph "a" of this subsection, the
 13 9 department shall allocate \$150,000 to the state library for the
 13 10 purpose of licensing an online resource which prepares persons
 13 11 to succeed in the workplace through programs which improve job
 13 12 skills and vocational test-taking abilities.

Specifies that \$1,130,602 of the General Fund appropriation for IWD operations is to be used for the operation of Field Offices in Decorah, Fort Madison, Iowa City, and Webster City, and allocates \$150,000 for the State Library for licensing LearningExpress Library.

DETAIL: The allocation for the Satellite Field Offices is the same as FY 2012, and the allocation for the State Library for licensing LearningExpress Library is a new allocation.

NOTE: Total FY 2013 Field Office funding is \$11,289,497 from the following sources:

- \$9,029,413 - General Fund (must also support the Workforce Development Board)
- \$1,627,084 - Special Contingency Fund (See Section 20)
- \$633,000 - Reserve Fund Interest (See Section 21)

NOTE: The estimated FY 2012 expenditures of \$15,039,856 (authorized \$14,126,696) by fund are as follows:

- \$8,671,352 - General Fund (must also support the Workforce Development Board)
- \$1,217,084 - Special Contingency Fund
- \$4,238,260 - Reserve Fund Interest
- \$913,160 (over budget) will be offset by leaving vacancies unfilled or spending other authorized Special Contingency Fund moneys.

13 13 4. OFFENDER REENTRY PROGRAM

General Fund appropriation to the IWD for the Offender Reentry Program.

13 14 a. For the development and administration of an offender
 13 15 reentry program to provide offenders with employment skills,
 13 16 and for not more than the following full-time equivalent
 13 17 positions:
 13 18 \$ 284,464
 13 19 FTEs 4.00

DETAIL: Total funding for FY 2013 is no change and an increase of 1.00 FTE position compared to estimated net FY 2012. This increase is to allow the IWD the flexibility to expand the program.

13 20 b. The department shall partner with the department of
 13 21 corrections to provide staff within the correctional facilities
 13 22 to improve offenders' abilities to find and retain productive

Requires the IWD to partner with the Department of Corrections to improve offenders' abilities to find and retain employment.

13 23 employment.

13 24 5. NONREVERSION

13 25 Notwithstanding section 8.33, moneys appropriated in this
13 26 section that remain unencumbered or unobligated at the close of
13 27 the fiscal year shall not revert but shall remain available for
13 28 expenditure for the purposes designated until the close of the
13 29 succeeding fiscal year.

Requires nonreversion of funds appropriated to the IWD for the following:

- Division of Labor Services.
- Division of Workers' Compensation.
- Workforce Development Operations for Field Offices and the Workforce Development Board.
- Offender Reentry Program.

13 30 Sec. 20. EMPLOYMENT SECURITY CONTINGENCY FUND.

13 31 1. There is appropriated from the special employment
13 32 security contingency fund to the department of workforce
13 33 development for the fiscal year beginning July 1, 2012, and
13 34 ending June 30, 2013, the following amount, or so much thereof
13 35 as is necessary, to be used for field offices:

13 36 \$ 1,627,084

Special Employment Security Contingency Fund (also known as the Penalty and Interest or P & I Fund) appropriation to the IWD for operation of the Field Offices.

DETAIL: Total Field Office Special Employment Contingency Fund funding for FY 2013 is an increase of \$410,000 compared to estimated net FY 2012.

NOTE: This Bill makes a General Fund appropriation in Section 19 and a Reserve Fund Interest appropriation in Section 21 for Field Offices.

13 37 2. Any remaining additional penalty and interest revenue
13 38 collected by the department of workforce development is
13 39 appropriated to the department for the fiscal year beginning
13 40 July 1, 2012, and ending June 30, 2013, to accomplish the
13 41 mission of the department.

Allows any remaining additional penalty and interest revenues to be used as needed by the IWD.

13 42 Sec. 21. UNEMPLOYMENT COMPENSATION RESERVE FUND —

13 43 FIELD OFFICES. Notwithstanding section 96.9, subsection 8,
14 1 paragraph "e", there is appropriated from interest earned on
14 2 the unemployment compensation reserve fund to the department
14 3 of workforce development for the fiscal year beginning July 1,
14 4 2012, and ending June 30, 2013, the following amount or so much
14 5 thereof as is necessary, for the purposes designated:

14 6 For the operation of field offices:
14 7 \$ 633,000

Unemployment Compensation Reserve Fund interest appropriation to the IWD for operation of the Field Offices.

DETAIL: This is a decrease of \$3,605,260 compared to estimated net FY 2012.

NOTE: This Bill makes a General Fund appropriation in Section 19 and a Special Contingency Fund appropriation in Section 20 for Field Offices.

14 8 Sec. 22. GENERAL FUND — EMPLOYEE MISCLASSIFICATION

14 9 PROGRAM. There is appropriated from the general fund of the
14 10 state to the department of workforce development for the fiscal
14 11 year beginning July 1, 2012, and ending June 30, 2013, the
14 12 following amount, or so much thereof as is necessary, to be
14 13 used for the purposes designated:

General Fund appropriation to the IWD for investigation of employers that misclassify workers.

DETAIL: Total funding for FY 2013 is no change compared to estimated net FY 2012.

14 14 For enhancing efforts to investigate employers that
 14 15 misclassify workers and for not more than the following
 14 16 full-time equivalent positions:
 14 17 \$ 451,458
 14 18 FTEs 8.10

14 19 Sec. 23. VIRTUAL ACCESS WORKFORCE DEVELOPMENT OFFICES. The
 14 20 department of workforce development shall require a unique
 14 21 identification login for all users of workforce development
 14 22 centers operated through electronic means.

Requires the IWD to require a unique login for all users that access Workforce Development Centers operated through electronic access points.

14 23 DIVISION III
 14 24 MISCELLANEOUS PROVISIONS

14 25 Sec. 24. 2010 Iowa Acts, chapter 1184, section 26, as
 14 26 amended by 2011 Iowa Acts, chapter 131, section 105, is amended
 14 27 to read as follows:

Amends the allocation for the FY 2011 Economic Development Fund (formerly the Grow Iowa Values Fund) appropriation to the Iowans Helping Iowans (IHI) Business Assistance Program.

14 28 SEC. 26. There is appropriated from the rebuild Iowa
 14 29 infrastructure fund to the department of economic development
 14 30 for deposit in the grow Iowa values fund, for the fiscal year
 14 31 beginning July 1, 2010, and ending June 30, 2011, the following
 14 32 amount, notwithstanding section 8.57, subsection 6, paragraph
 14 33 "c":

DETAIL: This program was set up through a transfer made by the Governor in August 2010 as a State-based assistance program intended to supplement federal individual assistance that followed Presidential Disaster Declarations for Iowa counties. This amends the allocation to the amount actually awarded by the IHI Program.

14 34 \$ 38,000,000

14 35 Of the moneys appropriated in this section, from the
 14 36 amount allocated to the department of economic development
 14 37 in accordance with 2010 Iowa Acts, chapter 1184, section
 14 38 28, subsection 1, ~~\$1,200,000~~ \$1,417,219 shall be used for
 14 39 the department's Iowans helping Iowans business assistance
 14 40 program. Notwithstanding section 8.33, moneys designated
 14 41 pursuant to this unnumbered paragraph that remain unencumbered
 14 42 or unobligated at the close of the fiscal year shall not revert
 14 43 but shall remain available for expenditure for the purposes
 15 1 designated until the close of the succeeding fiscal year.

15 2 Sec. 25. Section 15G.111, subsection 2, paragraph b,
 15 3 subparagraph (1), Code Supplement 2011, is amended by striking
 15 4 the subparagraph and inserting in lieu thereof the following:

CODE: Allocates \$350,000 from interest earned on the Economic Development Fund for the Councils of Government for FY 2012 and requires nonreversion of these funds.

15 5 (1) For the fiscal year beginning July 1, 2011, and ending
 15 6 June 30, 2012, the authority shall allocate three hundred
 15 7 fifty thousand dollars for purposes of providing financial
 15 8 assistance to Iowa's councils of governments. Notwithstanding
 15 9 section 8.33, moneys allocated pursuant to this subparagraph
 15 10 that remain unencumbered or unobligated at the close of the
 15 11 fiscal year shall not revert to the fund from which allocated
 15 12 at the close of the fiscal year but shall remain available for
 15 13 expenditure for the purposes designated until the close of the

DETAIL: Iowa Code chapter 15G sunsets at the close of this fiscal year and had an allocation of interest earned on the fund of \$175,000 to support the Councils of Governments in FY 2013. This doubles the allocation for FY 2012 and allows the IEDA to carry forward the unobligated balance into FY 2013.

15 14 succeeding fiscal year.

15 15 Sec. 26. Section 123.183, subsection 2, paragraph b,
 15 16 subparagraph (2), subparagraph division (a), Code Supplement
 15 17 2011, is amended to read as follows:

15 18 (a) To the midwest grape and wine industry institute at Iowa
 15 19 state university of science and technology, ~~one hundred twenty~~
 15 20 two hundred fifty thousand dollars.

CODE: Increases the Wine Gallonage Tax Fund appropriation to the ISU Midwest Grape and Wine Industry Institute.

DETAIL: This is an increase of \$130,000 compared to estimated net FY 2012. The remainder of the balance of the Fund is appropriated to the IEDA for maintaining the Wine & Beer Promotion Board created in Iowa Code section 15E.117.

15 21 Sec. 27. BATTLE FLAG RESTORATION FUND.

15 22 1. A battle flag restoration fund is created and established
 15 23 as a separate and distinct fund in the state treasury under
 15 24 the control of the department of cultural affairs. The moneys
 15 25 in the fund are appropriated to the department for purposes
 15 26 of continuing the project recommended by the Iowa battle flag
 15 27 advisory committee to stabilize the condition of the battle
 15 28 flag collection. Moneys in the fund shall not be subject to
 15 29 appropriation for any other purpose by the general assembly,
 15 30 but shall be used only for the purposes of the battle flag
 15 31 restoration fund.

Creates a Battle Flag Restoration Fund within the State Treasury under control of the DCA for continuing the stabilization project recommended by the Battle Flag Advisory Committee. The Fund will also collect proceeds from insurance settlements relating to incidences involving Battle Flags that have been loaned to other states or entities.

DETAIL: Three Battle Flags have been loaned to entities outside the DCA. The Citadel in Charleston, South Carolina, the Muscatine Art Center in Muscatine, Iowa, and the Confederate Memorial Park in Marbury, Alabama. Each flag has been insured at a different rate.

15 32 2. The battle flag restoration fund shall consist of any
 15 33 moneys appropriated by the general assembly and any other
 15 34 moneys available to and obtained or accepted by the department
 15 35 for placement in the fund including any proceeds from insurance
 15 36 settlements received by the state involving battle flags loaned
 15 37 to other states or entities.

15 38 3. Notwithstanding section 12C.7, subsection 2, interest or
 15 39 earnings on moneys in the fund shall be credited to the fund.

The following provisions of this Division are effective on enactment:

- The Section amending Iowans Helping Iowans.
- The Section amending the Economic Development Fund.

15 40 Sec. 28. EFFECTIVE UPON ENACTMENT. The following provision
 15 41 or provisions of this division of this Act, being deemed of
 15 42 immediate importance, take effect upon enactment:

15 43 1. The section of this division of this Act amending 2010
 16 1 Iowa Acts, chapter 1184, section 26.

16 2 2. The section of this division of this Act amending section
 16 3 15G.111.

DIVISION IV
 FILM OFFICE

16 6 Sec. 29. Section 2.48, subsection 3, paragraph c,
 16 7 subparagraph (5), Code 2011, is amended by striking the
 16 8 subparagraph.

CODE: Removes reference to the film, television, and video project promotion tax credit under the Schedule of Review for the Legislative Tax Expenditure Committee.

16 9 Sec. 30. Section 15.119, subsection 2, paragraph b, Code

CODE: Removes reference to the film, television, and video project

| | | |
|--|---|---|
| 16 10 | Supplement 2011, is amended by striking the paragraph. | promotion tax credit under the IEDA aggregate tax credit cap. |
| 16 11 16 12 16 13 | Sec. 31. Section 303.1, subsection 4, Code 2011, is amended by adding the following new paragraph: NEW PARAGRAPH e. Film office. | CODE: Adds the Film Office under the components of the DCA. |
| 16 14 16 15 16 16 16 17 16 18 16 19 16 20 16 21 | Sec. 32. NEW SECTION 303.95 FILM OFFICE ESTABLISHMENT AND PURPOSE. The department shall establish and administer a film office. The purpose of the film office is to assist legitimate film, television, and video producers in the production of film, television, and video projects in the state and to increase the fiscal impact on the state's economy of film, television, and video projects produced in the state. | CODE: Establishes a Film Office within the DCA. |
| 16 22 16 23 | Sec. 33. Section 422.7, subsection 52, Code Supplement 2011, is amended by striking the subsection. | CODE: Removes reference to the film, television, and video project promotion tax credit from the list of available income tax credits. |
| 16 24 16 25 | Sec. 34. Section 422.33, subsections 23 and 24, Code Supplement 2011, are amended by striking the subsections. | CODE: Removes reference to the film, television, and video project promotion tax credit. |
| 16 26 16 27 | Sec. 35. Section 422.35, subsection 23, Code Supplement 2011, is amended by striking the subsection. | CODE: Removes reference to the film, television, and video project promotion tax credit. |
| 16 28 16 29 | Sec. 36. Section 422.60, subsections 10 and 11, Code Supplement 2011, are amended by striking the subsections. | CODE: Removes reference to the film, television, and video project promotion tax credit. |
| 16 30 16 31 | Sec. 37. Section 533.329, subsection 2, paragraphs f and g, Code Supplement 2011, are amended by striking the paragraphs. | CODE: Removes reference to the film, television, and video project promotion tax credit. |
| 16 32 16 33 16 34 | Sec. 38. REPEAL. Sections 15.391, 15.392, 15.393, 422.11T, 422.11U, 432.12J, and 432.12K, Code and Code Supplement 2011, are repealed. | CODE: Repeals the Film Office within the IEDA and the Film, Television, and Video Project Promotion tax credit, and other references to the tax credit found in Code. FISCAL IMPACT: Since the tax credits are currently suspended, and it is assumed that the IEDA will reach the aggregate tax credit cap with or without this program, no fiscal impact is anticipated. |
| 16 35 16 36 16 37 16 38 | Sec. 39. APPLICABILITY. The sections of this division of this Act amending sections 2.48, 15.119, 422.7, 422.33, 422.35, 422.60, and 533.329, and repealing sections 15.391, 15.392, 15.393, 422.11T, 422.11U, 432.12J, and 432.12K do not apply to | The sections of this Division amending the listed Iowa Code chapters do not apply to any contract or agreement entered into before the effective date of this Bill. |

16 39 contracts or agreements entered into on or before the effective
16 40 date of this division of this Act.

16 41 Sec. 40. RETROACTIVE APPLICABILITY. The sections of this
16 42 division of this Act amending sections 2.48, 15.119, 422.7,
16 43 422.33, 422.35, 422.60, and 533.329, and repealing sections
17 1 15.391, 15.392, 15.393, 422.11T, 422.11U, 432.12J, and 432.12K
17 2 apply retroactively to January 1, 2012, for tax years beginning
17 3 on or after that date.

The sections of this Division amending the listed Code chapters apply retroactively to the tax year beginning January 1, 2012.

17 4 Sec. 41. EFFECTIVE UPON ENACTMENT. This division of this
17 5 Act, being deemed of immediate importance, takes effect upon
17 6 enactment.

This Division is effective on enactment.

Summary Data

General Fund

| | Actual FY 2011 (1) | Estimated Net FY 2012 (2) | Enacted FY 2013 (3) | Final Action FY 2013 (4) | FY 2013 Total (5) | FY 2013 v. Est Net FY 2012 (6) |
|----------------------|--------------------------|---------------------------------|---------------------------|--------------------------------|-------------------------|--------------------------------------|
| Economic Development | \$ 38,127,114 | \$ 36,212,425 | \$ 10,180,337 | \$ 27,523,704 | \$ 37,704,041 | \$ 1,491,616 |
| Grand Total | \$ 38,127,114 | \$ 36,212,425 | \$ 10,180,337 | \$ 27,523,704 | \$ 37,704,041 | \$ 1,491,616 |

Economic Development General Fund

| | Actual FY 2011 (1) | Estimated Net FY 2012 (2) | Enacted FY 2013 (3) | Final Action FY 2013 (4) | FY 2013 Total (5) | FY 2013 v. Est Net FY 2012 (6) |
|--|--------------------------|---------------------------------|---------------------------|--------------------------------|-------------------------|--------------------------------------|
| <u>Cultural Affairs, Dept. of</u> | | | | | | |
| Cultural Affairs, Dept. of | | | | | | |
| Administration Division | \$ 189,739 | \$ 171,813 | \$ 85,907 | \$ 85,906 | \$ 171,813 | \$ 0 |
| Community Cultural Grants | 273,500 | 172,090 | 86,045 | 86,045 | 172,090 | 0 |
| Historical Division | 2,941,185 | 2,767,701 | 1,383,851 | 1,383,850 | 2,767,701 | 0 |
| Historic Sites | 453,615 | 426,398 | 213,199 | 213,199 | 426,398 | 0 |
| Arts Division | 992,886 | 933,764 | 466,882 | 666,882 | 1,133,764 | 200,000 |
| Great Places | 204,815 | 150,000 | 75,000 | 75,000 | 150,000 | 0 |
| Archiving Former Governor's Papers | 70,142 | 65,933 | 32,967 | 32,966 | 65,933 | 0 |
| Records Center Rent | 227,243 | 227,243 | 113,622 | 113,621 | 227,243 | 0 |
| Battle Flag Stabilization | 0 | 60,000 | 30,000 | 30,000 | 60,000 | 0 |
| Total Cultural Affairs, Dept. of | \$ 5,353,125 | \$ 4,974,942 | \$ 2,487,473 | \$ 2,687,469 | \$ 5,174,942 | \$ 200,000 |
| <u>Economic Development Authority</u> | | | | | | |
| Economic Development Authority | | | | | | |
| Economic Development Appropriation | \$ 0 | \$ 9,783,424 | \$ 4,891,712 | \$ 4,891,712 | \$ 9,783,424 | \$ 0 |
| World Food Prize | 650,000 | 500,000 | 250,000 | 500,000 | 750,000 | 250,000 |
| Iowa Comm. Volunteer Ser.-Promise | 109,716 | 178,133 | 89,067 | 89,066 | 178,133 | 0 |
| Main Street Grants | 165,775 | 0 | 0 | 0 | 0 | 0 |
| Economic Dev. Administration | 1,668,291 | 0 | 0 | 0 | 0 | 0 |
| Business Development | 4,779,918 | 0 | 0 | 0 | 0 | 0 |
| Community Development Division | 4,463,077 | 0 | 0 | 0 | 0 | 0 |
| Total Economic Development Authority | \$ 11,836,777 | \$ 10,461,557 | \$ 5,230,779 | \$ 5,480,778 | \$ 10,711,557 | \$ 250,000 |
| <u>Regents, Board of</u> | | | | | | |
| Regents, Board of | | | | | | |
| ISU - Economic Development | \$ 2,575,983 | \$ 2,424,302 | \$ 1,212,151 | \$ 1,212,151 | \$ 2,424,302 | \$ 0 |
| UI - Economic Development | 222,372 | 209,279 | 104,640 | 104,639 | 209,279 | 0 |
| UNI - Economic Development | 610,674 | 574,716 | 287,358 | 287,358 | 574,716 | 0 |
| Total Regents, Board of | \$ 3,409,029 | \$ 3,208,297 | \$ 1,604,149 | \$ 1,604,148 | \$ 3,208,297 | \$ 0 |

Economic Development General Fund

| | Actual FY 2011 (1) | Estimated Net FY 2012 (2) | Enacted FY 2013 (3) | Final Action FY 2013 (4) | FY 2013 Total (5) | FY 2013 v. Est Net FY 2012 (6) |
|---|--------------------------|---------------------------------|---------------------------|--------------------------------|-------------------------|--------------------------------------|
| <u>Iowa Workforce Development</u> | | | | | | |
| Iowa Workforce Development | | | | | | |
| Labor Services Division | \$ 3,139,752 | \$ 3,495,440 | \$ 0 | \$ 3,495,440 | \$ 3,495,440 | \$ 0 |
| Workers' Compensation Division | 2,411,799 | 2,949,044 | 0 | 3,262,044 | 3,262,044 | 313,000 |
| Operations - Field Offices | 10,326,640 | 8,671,352 | 0 | 9,179,413 | 9,179,413 | 508,061 |
| Offender Reentry Program | 302,621 | 284,464 | 0 | 284,464 | 284,464 | 0 |
| Employee Misclassification Program | 480,274 | 451,458 | 0 | 451,458 | 451,458 | 0 |
| Security Employee Training Program | 12,711 | 0 | 0 | 0 | 0 | 0 |
| Total Iowa Workforce Development | \$ 16,673,797 | \$ 15,851,758 | \$ 0 | \$ 16,672,819 | \$ 16,672,819 | \$ 821,061 |
| <u>Iowa Finance Authority</u> | | | | | | |
| Iowa Finance Authority | | | | | | |
| Rent Subsidy Program | \$ 0 | \$ 658,000 | \$ 329,000 | \$ 329,000 | \$ 658,000 | \$ 0 |
| Total Iowa Finance Authority | \$ 0 | \$ 658,000 | \$ 329,000 | \$ 329,000 | \$ 658,000 | \$ 0 |
| <u>Public Employment Relations Board</u> | | | | | | |
| Public Employment Relations | | | | | | |
| General Office | \$ 854,386 | \$ 1,057,871 | \$ 528,936 | \$ 749,490 | \$ 1,278,426 | \$ 220,555 |
| Total Public Employment Relations Board | \$ 854,386 | \$ 1,057,871 | \$ 528,936 | \$ 749,490 | \$ 1,278,426 | \$ 220,555 |
| Total Economic Development | \$ 38,127,114 | \$ 36,212,425 | \$ 10,180,337 | \$ 27,523,704 | \$ 37,704,041 | \$ 1,491,616 |

Summary Data

Other Fund

| | Actual FY 2011 (1) | Estimated Net FY 2012 (2) | Enacted FY 2013 (3) | Final Action FY 2013 (4) | FY 2013 Total (5) | FY 2013 v. Est Net FY 2012 (6) |
|----------------------|--------------------------|---------------------------------|---------------------------|--------------------------------|-------------------------|--------------------------------------|
| Economic Development | \$ 11,331,000 | \$ 9,575,344 | \$ 2,120,000 | \$ 22,390,084 | \$ 24,510,084 | \$ 14,934,740 |
| Grand Total | \$ 11,331,000 | \$ 9,575,344 | \$ 2,120,000 | \$ 22,390,084 | \$ 24,510,084 | \$ 14,934,740 |

Economic Development Other Fund

| | Actual FY 2011 (1) | Estimated Net FY 2012 (2) | Enacted FY 2013 (3) | Final Action FY 2013 (4) | FY 2013 Total (5) | FY 2013 v. Est Net FY 2012 (6) |
|--|--------------------------|---------------------------------|---------------------------|--------------------------------|-------------------------|--------------------------------------|
| <u>Economic Development Authority</u> | | | | | | |
| Economic Development Authority | | | | | | |
| Workforce Development Fund | \$ 4,000,000 | \$ 4,000,000 | \$ 2,000,000 | \$ 2,000,000 | \$ 4,000,000 | \$ 0 |
| High Quality Jobs Program - RIIF | 0 | 0 | 0 | 15,000,000 | 15,000,000 | 15,000,000 |
| Total Economic Development Authority | \$ 4,000,000 | \$ 4,000,000 | \$ 2,000,000 | \$ 17,000,000 | \$ 19,000,000 | \$ 15,000,000 |
| <u>Regents, Board of</u> | | | | | | |
| Regents, Board of | | | | | | |
| ISU - MW Grape & Wine Industry Institute Snd | \$ 0 | \$ 120,000 | \$ 120,000 | \$ 130,000 | \$ 250,000 | \$ 130,000 |
| Regents Innovation Fund - RIIF | 0 | 0 | 0 | 3,000,000 | 3,000,000 | 3,000,000 |
| Total Regents, Board of | \$ 0 | \$ 120,000 | \$ 120,000 | \$ 3,130,000 | \$ 3,250,000 | \$ 3,130,000 |
| <u>Iowa Workforce Development</u> | | | | | | |
| Iowa Workforce Development | | | | | | |
| Field Offices - Spec Cont Fund | \$ 360,000 | \$ 1,217,084 | \$ 0 | \$ 1,627,084 | \$ 1,627,084 | \$ 410,000 |
| Field Offices - UI Reserve Interest | 6,500,000 | 4,238,260 | 0 | 633,000 | 633,000 | -3,605,260 |
| Workers' Comp Div - Spec Cont Fund | 471,000 | 0 | 0 | 0 | 0 | 0 |
| Total Iowa Workforce Development | \$ 7,331,000 | \$ 5,455,344 | \$ 0 | \$ 2,260,084 | \$ 2,260,084 | \$ -3,195,260 |
| <u>Management, Dept. of</u> | | | | | | |
| Management, Dept. of | | | | | | |
| Rebuild Iowa Infrastructure Fund - EEF | \$ 0 | \$ 0 | \$ 0 | \$ 20,000,000 | \$ 20,000,000 | \$ 20,000,000 |
| Rebuild Iowa Infrastructure Fund - EEF - Bal Adj | 0 | 0 | 0 | -20,000,000 | -20,000,000 | -20,000,000 |
| Total Management, Dept. of | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Total Economic Development | \$ 11,331,000 | \$ 9,575,344 | \$ 2,120,000 | \$ 22,390,084 | \$ 24,510,084 | \$ 14,934,740 |

Summary Data

FTE

| | Actual FY 2011 (1) | Estimated Net FY 2012 (2) | Enacted FY 2013 (3) | Final Action FY 2013 (4) | FY 2013 Total (5) | FY 2013 v. Est Net FY 2012 (6) |
|----------------------|--------------------------|---------------------------------|---------------------------|--------------------------------|-------------------------|--------------------------------------|
| Economic Development | 456.07 | 512.31 | 316.13 | 236.10 | 552.23 | 39.92 |
| Grand Total | 456.07 | 512.31 | 316.13 | 236.10 | 552.23 | 39.92 |

Economic Development FTE

| | Actual FY 2011 (1) | Estimated Net FY 2012 (2) | Enacted FY 2013 (3) | Final Action FY 2013 (4) | FY 2013 Total (5) | FY 2013 v. Est Net FY 2012 (6) |
|--|--------------------------|---------------------------------|---------------------------|--------------------------------|-------------------------|--------------------------------------|
| <u>Cultural Affairs, Dept. of</u> | | | | | | |
| Cultural Affairs, Dept. of | | | | | | |
| Administration Division | 0.76 | 0.78 | 74.50 | 0.00 | 74.50 | 73.72 |
| Historical Division | 42.36 | 44.07 | 0.00 | 0.00 | 0.00 | -44.07 |
| Historic Sites | 4.70 | 3.00 | 0.00 | 0.00 | 0.00 | -3.00 |
| Arts Division | 9.29 | 10.25 | 0.00 | 0.00 | 0.00 | -10.25 |
| Great Places | 2.56 | 3.05 | 0.00 | 0.00 | 0.00 | -3.05 |
| Archiving Former Governor's Papers | 0.87 | 0.73 | 0.00 | 0.00 | 0.00 | -0.73 |
| Total Cultural Affairs, Dept. of | 60.53 | 61.88 | 74.50 | 0.00 | 74.50 | 12.62 |
| <u>Economic Development Authority</u> | | | | | | |
| Economic Development Authority | | | | | | |
| Economic Development Appropriation | 1.91 | 123.70 | 149.00 | 0.00 | 149.00 | 25.30 |
| Iowa State Commission | 5.81 | 7.00 | 7.00 | 0.00 | 7.00 | 0.00 |
| Vision Iowa Program | 1.96 | 2.25 | 2.25 | 0.00 | 2.25 | 0.00 |
| Workforce Development Admin | 1.60 | 4.00 | 4.00 | 0.00 | 4.00 | 0.00 |
| Economic Dev. Administration | 14.41 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Business Development | 32.05 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Community Development Division | 52.55 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Economic Development Authority | 110.29 | 136.95 | 162.25 | 0.00 | 162.25 | 25.30 |
| <u>Regents, Board of</u> | | | | | | |
| Regents, Board of | | | | | | |
| ISU - Economic Development | 27.58 | 56.63 | 56.63 | 0.00 | 56.63 | 0.00 |
| UI - Economic Development | 4.57 | 6.00 | 6.00 | 0.00 | 6.00 | 0.00 |
| UNI - Economic Development | 6.05 | 6.75 | 6.75 | 0.00 | 6.75 | 0.00 |
| Total Regents, Board of | 38.20 | 69.38 | 69.38 | 0.00 | 69.38 | 0.00 |

Economic Development FTE

| | Actual FY 2011 (1) | Estimated Net FY 2012 (2) | Enacted FY 2013 (3) | Final Action FY 2013 (4) | FY 2013 Total (5) | FY 2013 v. Est Net FY 2012 (6) |
|---|--------------------------|---------------------------------|---------------------------|--------------------------------|-------------------------|--------------------------------------|
| <u>Iowa Workforce Development</u> | | | | | | |
| Iowa Workforce Development | | | | | | |
| Labor Services Division | 60.26 | 64.00 | 0.00 | 64.00 | 64.00 | 0.00 |
| Workers' Compensation Division | 25.29 | 30.00 | 0.00 | 30.00 | 30.00 | 0.00 |
| Field Office Operating Fund | 143.66 | 130.00 | 0.00 | 130.00 | 130.00 | 0.00 |
| Offender Reentry Program | 2.96 | 3.00 | 0.00 | 4.00 | 4.00 | 1.00 |
| Employee Misclassification Program | 7.31 | 8.10 | 0.00 | 8.10 | 8.10 | 0.00 |
| Total Iowa Workforce Development | 239.47 | 235.10 | 0.00 | 236.10 | 236.10 | 1.00 |
| <u>Public Employment Relations Board</u> | | | | | | |
| Public Employment Relations | | | | | | |
| General Office | 7.58 | 9.00 | 10.00 | 0.00 | 10.00 | 1.00 |
| Total Public Employment Relations Board | 7.58 | 9.00 | 10.00 | 0.00 | 10.00 | 1.00 |
| Total Economic Development | 456.07 | 512.31 | 316.13 | 236.10 | 552.23 | 39.92 |