

Workforce Training Bill Senate File 2024

Last Action:

Senate Floor

February 22, 2012

An Act relating to workforce training programs in community colleges and making appropriations.

**Fiscal Services Division
Legislative Services Agency**

NOTES ON BILLS AND AMENDMENTS (NOBA)

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

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FUNDING SUMMARY

- Appropriates a total of \$20.0 million annually from the General Fund for FY 2013 through FY 2016 to the Workforce Training and Economic Development Funds at the community colleges, the Gap Tuition Assistance Fund, and the College Student Aid Commission.

MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS

- Appropriates \$12,000,000 annually from the General Fund to the Workforce Training and Economic Development Funds at the community colleges for FY 2013, FY 2014, and FY 2015. Page 1, Line 9
- Creates the Gap Tuition Assistance Fund and appropriates \$2.0 million annually to the Fund from the General Fund for FY 2013 through FY 2016. Requires nonreversion of the funds appropriated until the end of FY 2017. Specifies that interest earned on moneys in the Fund is to be credited to the Fund. Page 1, Line 26
- Appropriates \$6.0 million annually from the General Fund to the College Student Aid Commission for FY 2013 through FY 2016 for purposes of the Skilled Workforce Shortage Tuition Grant Program. The funds do not revert until the end of FY 2017. Page 5, Line 4

SIGNIFICANT CODE CHANGES

- Requires the Department of Workforce Development, in cooperation with the College Student Aid Commission, to issue a quarterly report identifying industries that have a shortage of skilled workers in the state. Page 1, Line 1
- Creates the Skilled Workforce Shortage Tuition Grant Program and specifies the following: Page 2, Line 16
 - Eligibility - Iowa residents that are full- or part-time students in a vocational-technical or career option program at a community college and have established financial need.
 - Grants are to be awarded only to students enrolled in programs in industries identified as having a shortage of skilled workers.
 - Shortage areas are to be identified by community colleges through regional analysis or by the Department of Workforce Development.
 - Amount of a grant cannot exceed the lesser of one-half of a student's tuition and fees or the amount of the student's financial need.
 - Students must complete coursework within two years or the equivalent of two years for part-time students. Provides for an additional year if additional classes are required. Provides for re-eligibility after a two-year absence with certain limitations.

EXECUTIVE SUMMARY
WORKFORCE TRAINING BILL

SENATE FILE 2024

- Provides for repayment of funds to the State when a student discontinues attendance before completion of a term.
- Specifies that any other financial aid received by a student must be considered part of their financial resources for purposes of determining financial need.
- Requires the College Student Aid Commission to submit an annual report including the number of students receiving assistance and the shortage areas identified.

Senate File 2024 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
1	1	1	Add	84A.6.4	
1	9	2	Add	260C.18A.1.c	
1	20	3	Add	260C.18A.2.j	
1	26	4	Amend	260I.2	
2	16	5	New	261.130	

1 1 Section 1. Section 84A.6, Code Supplement 2011, is amended
 1 2 by adding the following new subsection:
 1 3 NEW SUBSECTION 4. The department of workforce
 1 4 development, in consultation with the college student aid
 1 5 commission, shall issue a quarterly report identifying
 1 6 industries in which the department finds a shortage of skilled
 1 7 workers in this state for the purposes of the skilled workforce
 1 8 shortage tuition grant program established in section 261.130.

Requires the Department of Workforce Development, in cooperation with the College Student Aid Commission, to issue a quarterly report identifying industries that have a shortage of skilled workers in the state. The report is for purposes of the Skilled Workforce Shortage Tuition Grant Program.

1 9 Sec. 2. Section 260C.18A, subsection 1, Code Supplement
 1 10 2011, is amended by adding the following new paragraph:
 1 11 NEW PARAGRAPH c. There is appropriated from the general
 1 12 fund of the state to the workforce training and economic
 1 13 development funds, the following amounts:

General Fund appropriation to the Workforce Training and Economic Development Funds at the community colleges.

1 14 (1) For the fiscal year beginning July 1, 2012, and ending
 1 15 June 30, 2013, the sum of twelve million dollars.

DETAIL: The FY 2013 appropriation is an increase of \$7,000,000 compared to the amount appropriated for FY 2012 in HF 645 (Education Appropriations Act). Appropriates \$12,000,000 annually through FY 2015.

1 16 (2) For the fiscal year beginning July 1, 2013, and ending
 1 17 June 30, 2014, the sum of twelve million dollars.

1 18 (3) For the fiscal year beginning July 1, 2014, and ending
 1 19 June 30, 2015, the sum of twelve million dollars.

1 20 Sec. 3. Section 260C.18A, subsection 2, Code Supplement
 1 21 2011, is amended by adding the following new paragraph:
 1 22 NEW PARAGRAPH j. Development and implementation of
 1 23 the national career readiness certificate and the skills
 1 24 certification system endorsed by the national association of
 1 25 manufacturers.

1 26 Sec. 4. Section 260I.2, Code Supplement 2011, is amended to
 1 27 read as follows:

General Fund appropriation to the Gap Tuition Assistance Fund for the Gap Tuition Assistance Program.

1 28 260I.2 GAP TUITION ASSISTANCE PROGRAM FUND
 1 29 APPROPRIATION .

1 30 1. A gap tuition assistance program is established to
 1 31 provide funding to community colleges for need-based tuition
 1 32 assistance to applicants to enable completion of continuing
 1 33 education certificate training programs for in-demand
 1 34 occupations.

DETAIL: This is a new appropriation of \$2,000,000 annually for FY 2013 through FY 2016. Specifies that the aggregate total of grants awarded annually cannot exceed \$2,000,000. Requires nonreversion of the funds appropriated until the end of FY 2017. Specifies that interest earned on the moneys in the Fund is to be credited to the Fund.

1 35 2. a. There is established for the community colleges
 2 1 a gap tuition assistance fund in the state treasury to be
 2 2 administered by the department of education. The funds in the
 2 3 gap tuition assistance fund are appropriated to the department
 2 4 of education for the gap tuition assistance program.

2 5 b. There is appropriated from the general fund of the state
 2 6 to the gap tuition assistance fund, the following amounts:

2 7 (1) For the fiscal year beginning July 1, 2012, and ending
 2 8 June 30, 2013, the sum of two million dollars.

2 9 (2) For the fiscal year beginning July 1, 2013, and ending
 2 10 June 30, 2014, the sum of two million dollars.
 2 11 (3) For the fiscal year beginning July 1, 2014, and ending
 2 12 June 30, 2015, the sum of two million dollars.
 2 13 c. The aggregate total of grants awarded from the gap
 2 14 tuition assistance fund during a fiscal year shall not be more
 2 15 than two million dollars.

2 16 Sec. 5.NEW SECTION 261.130 SKILLED WORKFORCE SHORTAGE
 2 17 TUITION GRANT PROGRAM — APPROPRIATION.

2 18 1. A skilled workforce shortage tuition grant may be awarded
 2 19 to any resident of Iowa who is admitted and in attendance
 2 20 as a full-time or part-time student in a career-technical
 2 21 or career option program to pursue an associate's degree or
 2 22 other training at a community college in the state, and who
 2 23 establishes financial need.

2 24 2. Skilled workforce shortage tuition grants shall be
 2 25 awarded only to students pursuing a career-technical or career
 2 26 option program in an industry identified as having a shortage
 2 27 of skilled workers by a community college after conducting a
 2 28 regional skills gap analysis or by the department of workforce
 2 29 development in the department's most recent quarterly report
 2 30 pursuant to section 84A.6, subsection 4.

2 31 3. The amount of a skilled workforce shortage tuition grant
 2 32 shall not exceed the lesser of one-half of a student's tuition
 2 33 and fees for an approved career-technical or career option
 2 34 program or the amount of the student's established financial
 2 35 need.

3 1 4. All classes identified by the community college
 3 2 as required for completion of the student's approved
 3 3 career-technical or career option program shall be considered a
 3 4 part of the student's career-technical or career option program
 3 5 for the purpose of determining the student's eligibility for a
 3 6 grant. Notwithstanding subsection 5, if a student is making
 3 7 satisfactory academic progress but the student cannot complete
 3 8 a career-technical or career option program in the time frame
 3 9 allowed for a student to receive a skilled workforce shortage
 3 10 tuition grant as provided in subsection 5 because additional
 3 11 classes are required to complete the program, the student may
 3 12 continue to receive a skilled workforce shortage tuition grant
 3 13 for not more than one additional enrollment period.

Creates the Skilled Workforce Shortage Tuition Grant Program and specifies that grants may be awarded to those meeting the following requirements:

- Iowa resident.
- Full- or part-time student.
- Enrolled in a vocational-technical or career option program at a community college.
- Demonstrates financial need.

Requires awards to be given only to students enrolled in programs in industries identified as having a shortage of skilled workers. Shortage areas are to be identified by community colleges after conducting regional analysis of skills gaps or by the Department of Workforce Development.

Specifies that the amount of a grant cannot exceed the lesser of one-half of a student's tuition and fees or the amount of the student's established financial need.

Specifies that a student's program includes all classes identified by the community college as required for completion of the program. Provides an exception to the requirements for completion of the program within a two-year-equivalent time period if additional classes are required to complete the program.

3 14 5. a. A qualified full-time student may receive skilled
 3 15 workforce shortage tuition grants for not more than four
 3 16 semesters or the trimester or quarter equivalent of two full
 3 17 years of study. A qualified part-time student enrolled in a
 3 18 course of study including at least three semester hours but
 3 19 fewer than twelve semester hours or the trimester or quarter
 3 20 equivalent may receive skilled workforce shortage tuition
 3 21 grants for not more than eight semesters or the trimester or
 3 22 quarter equivalent of two full years of full-time study.
 3 23 b. However, if a student resumes study after at least a
 3 24 two-year absence, the student may again be eligible for the
 3 25 specified amount of time, except that the student shall not
 3 26 receive assistance for courses for which credit was previously
 3 27 received.

Specifies that a full-time student may receive grants for no more than four semesters or the equivalent of two full years of study. Specifies that a part-time student taking the equivalent of at least three semester hours and less than 12 semester hours may receive grants for no more than eight semesters or the equivalent of two full years of study.

Specifies that, after at least a two-year absence, a student may resume study and again be eligible for grants for the specified amount of time but cannot receive assistance for courses for which credit was previously received.

3 28 6. A skilled workforce shortage tuition grant shall be
 3 29 awarded on an annual basis, requiring reapplication by the
 3 30 student for each year. Payments under the grant shall be
 3 31 allocated equally among the semesters or quarters of the year
 3 32 upon certification by the community college that the student
 3 33 is in full-time or part-time attendance in a career-technical
 3 34 or career option program consistent with the requirements of
 3 35 this section. If the student discontinues attendance before
 4 1 the end of any term after receiving payment of the grant, the
 4 2 entire amount of any refund due that student, up to the amount
 4 3 of any payments made under the annual grant, shall be paid by
 4 4 the community college to the state.

Specifies that grants are awarded on an annual basis and requires reapplication by the student each year. Payments are to be allocated equally among semesters or terms upon certification by the community college that the student is in attendance consistent with the requirements of this statute.

Specifies that the community college must pay to the State any amounts allocated to a student that discontinues attendance before the end of a term.

4 5 7. If a student receives financial aid under any other
 4 6 program, the full amount of that financial aid shall be
 4 7 considered part of the student's financial resources available
 4 8 in determining the amount of the student's financial need for
 4 9 that period.

Requires any other financial aid received by the student to be considered part of the student's financial resources when determining financial need.

4 10 8. The commission shall administer this program and shall:
 4 11 a. Provide application forms for distribution to students by
 4 12 Iowa high schools and community colleges.
 4 13 b. Adopt rules for approving career-technical or career
 4 14 option programs in industries identified by the department of
 4 15 workforce development pursuant to section 84A.6, subsection 4;
 4 16 determining financial need; defining residence for the purposes
 4 17 of this section; processing and approving applications for
 4 18 grants; and determining priority for grants.
 4 19 c. Approve and award grants on an annual basis.
 4 20 d. Make an annual report to the governor and general
 4 21 assembly. The report shall include the number of students

Specifies the duties of the College Student Aid Commission in administering the program, including making an annual report to the Governor and General Assembly. The report must include the number of students awarded grants and the industries identified as shortage areas.

4 22 receiving assistance and the industries identified by
 4 23 the community colleges and by the department of workforce
 4 24 development pursuant to section 84A.6, subsection 4, for which
 4 25 students were admitted to a career-technical or career option
 4 26 program.

4 27 9. Each applicant, in accordance with the rules established
 4 28 by the commission, shall:

4 29 a. Complete and file an application for a skilled workforce
 4 30 shortage tuition grant.

4 31 b. Be responsible for the submission of the financial
 4 32 information required for evaluation of the applicant's need for
 4 33 a grant, on forms determined by the commission.

4 34 c. Report promptly to the commission any information
 4 35 requested.

5 1 d. Submit a new application for reevaluation of the
 5 2 applicant's eligibility to receive a second-year renewal of the
 5 3 grant.

5 4 10. a. There is appropriated from the general fund of the
 5 5 state to the commission for the skilled workforce shortage
 5 6 tuition grant program, the following amounts:

5 7 (1) For the fiscal year beginning July 1, 2012, and ending
 5 8 June 30, 2013, the sum of six million dollars.

5 9 (2) For the fiscal year beginning July 1, 2013, and ending
 5 10 June 30, 2014, the sum of six million dollars.

5 11 (3) For the fiscal year beginning July 1, 2014, and ending
 5 12 June 30, 2015, the sum of six million dollars.

5 13 b. Notwithstanding section 8.33, moneys appropriated in this
 5 14 subsection that remain unencumbered or unobligated at the close
 5 15 of the fiscal year shall not revert but shall remain available
 5 16 for expenditure for the purposes designated until the close of
 5 17 the fiscal year that begins July 1, 2014.

Specifies the duties of applicants for Skilled Workforce Shortage Tuition Grants.

General Fund appropriation to the College Student Aid Commission for the Skilled Workforce Shortage Tuition Grant Program.

DETAIL: This is a new appropriation of \$18,000,000 annually from FY 2013 through FY 2016. The funds appropriated do not revert until the end of FY 2017.

Summary Data

General Fund

	<u>Actual FY 2011 (1)</u>	<u>Estimated FY 2012 (2)</u>	<u>Senate Action FY 2013 (3)</u>	<u>Senate Action vs. Est 2012 (4)</u>	<u>Page and Line # (5)</u>
Education	\$ 0	\$ 0	\$ 20,000,000	\$ 20,000,000	
Grand Total	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 20,000,000</u>	<u>\$ 20,000,000</u>	

Education General Fund

	Actual FY 2011 <u>(1)</u>	Estimated FY 2012 <u>(2)</u>	Senate Action FY 2013 <u>(3)</u>	Senate Action vs. Est 2012 <u>(4)</u>	Page and Line # <u>(5)</u>
<u>College Aid Commission</u>					
College Student Aid Comm.					
Skilled Workforce Shortage Tuition Grant	\$ 0	\$ 0	\$ 6,000,000	\$ 6,000,000	PG 5 LN 4
Total College Aid Commission	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 6,000,000</u>	<u>\$ 6,000,000</u>	
<u>Education, Dept. of</u>					
Education, Dept. of					
Gap Tuition Assistance Fund	\$ 0	\$ 0	\$ 2,000,000	\$ 2,000,000	PG 1 LN 26
Workforce Training and Econ Dev - SF2024	0	0	12,000,000	12,000,000	PG 1 LN 9
Total Education, Dept. of	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 14,000,000</u>	<u>\$ 14,000,000</u>	
Total Education	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 20,000,000</u></u>	<u><u>\$ 20,000,000</u></u>	