A BILL FOR

1 An Act making appropriations to the department of cultural
2  affairs, the economic development authority, the Iowa
3  finance authority, the public employment relations board,
4  the department of workforce development, and the state board
5  of regents and certain regents institutions, providing for
6  properly related matters, and including contingent effective
7  date and applicability provisions.
8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
DIVISION I
FY 2022-2023 APPROPRIATIONS
Section 1. DEPARTMENT OF CULTURAL AFFAIRS.

1. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2022, and ending June 30, 2023, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions for the department:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$168,637</td>
</tr>
</tbody>
</table>

The department of cultural affairs shall coordinate activities with the tourism office of the economic development authority to promote attendance at the state historical building and at the state’s historic sites.

b. COMMUNITY CULTURAL GRANTS

For planning and programming for the community cultural grants program established under section 303.3:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$172,090</td>
</tr>
</tbody>
</table>

c. HISTORICAL DIVISION

For the support of the historical division:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$3,142,351</td>
</tr>
</tbody>
</table>

d. HISTORIC SITES

For the administration and support of historic sites:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$426,398</td>
</tr>
</tbody>
</table>
e. ARTS DIVISION

For the support of the arts division:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1,017,188</td>
</tr>
</tbody>
</table>
H.F. _____

f. IOWA GREAT PLACES
For the Iowa great places program established under section 303.3C:

$ 450,000

g. CULTURAL TRUST GRANTS
For grant programs administered by the Iowa arts council including those programs supporting the long-term financial stability and sustainability of nonprofit cultural organizations:

$ 150,000

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

Sec. 2. GOALS AND ACCOUNTABILITY — ECONOMIC DEVELOPMENT.
1. For the fiscal year beginning July 1, 2022, the goals for the economic development authority shall be to expand and stimulate the state economy, increase the wealth of Iowans, and increase the population of the state.

2. To achieve the goals in subsection 1, the economic development authority shall do all of the following for the fiscal year beginning July 1, 2022:

a. Concentrate its efforts on programs and activities that result in commercially viable products and services.

b. Adopt practices and services consistent with free market, private sector philosophies.

c. Ensure economic growth and development throughout the state.

d. Work with businesses and communities to continually improve the economic development climate along with the economic well-being and quality of life for Iowans.

e. Coordinate with other state agencies to ensure that they are attentive to the needs of an entrepreneurial culture.

f. Establish a strong and aggressive marketing image to
showcase Iowa's workforce, existing industry, and potential. A priority shall be placed on recruiting new businesses, business expansion, and retaining existing Iowa businesses. Emphasis shall be placed on entrepreneurial development through helping entrepreneurs secure capital, and developing networks and a business climate conducive to entrepreneurs and small businesses.

g. Encourage the development of communities and quality of life to foster economic growth.
h. Prepare communities for future growth and development through development, expansion, and modernization of infrastructure.
i. Develop public-private partnerships with Iowa businesses in the tourism industry, Iowa tour groups, Iowa tourism organizations, and political subdivisions in this state to assist in the development of advertising efforts.
j. Develop, to the fullest extent possible, cooperative efforts for advertising with contributions from other sources.

Sec. 3. ECONOMIC DEVELOPMENT AUTHORITY.

1. APPROPRIATION

a. There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2022, and ending June 30, 2023, the following amount, or so much thereof as is necessary, to be used for the purposes designated in this subsection, and for not more than the following full-time equivalent positions:

$13,318,553

FTEs 105.85

b. (1) For salaries, support, miscellaneous purposes, programs, marketing, and the maintenance of an administration division, a business development division, a community development division, a small business development division, and other divisions the authority may organize.

(2) The full-time equivalent positions authorized under this section are funded, in whole or in part, by the moneys
appropriated under this subsection or by other moneys received by the authority, including certain federal moneys.

3. (3) For business development operations and programs, international trade, export assistance, workforce recruitment, and the partner state program.

4. (4) For transfer to a fund created pursuant to section 15.313 for purposes of financing strategic infrastructure projects.

5. (5) For community economic development programs, tourism operations, community assistance, plans for Iowa green corps and summer youth programs, the main street and rural main street programs, the school-to-career program, the community development block grant, and housing and shelter-related programs.

6. (6) For achieving the goals and accountability, and fulfilling the requirements and duties required under this Act.

7. c. Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated in this subsection until the close of the succeeding fiscal year.

2. FINANCIAL ASSISTANCE RESTRICTIONS

a. A business creating jobs through moneys appropriated in subsection 1 shall be subject to contract provisions requiring new and retained jobs to be filled by individuals who are citizens of the United States who reside within the United States, or any person authorized to work in the United States pursuant to federal law, including legal resident aliens residing in the United States.

b. Any vendor who receives moneys appropriated in subsection 1 shall adhere to such contract provisions and provide periodic assurances as the state shall require that the jobs are filled solely by citizens of the United States who reside within the United States, or any person authorized to work in the United States, pursuant to federal law, including
legal resident aliens residing in the United States. A business that receives financial assistance from the authority from moneys appropriated in subsection 1 shall only employ individuals legally authorized to work in this state. In addition to all other applicable penalties provided by current law, all or a portion of the assistance received by a business which is found to knowingly employ individuals not legally authorized to work in this state is subject to recapture by the authority.

3. USES OF APPROPRIATIONS

a. From the moneys appropriated in subsection 1, the authority may provide financial assistance in the form of a grant to a community economic development entity for conducting a local workforce recruitment effort designed to recruit former citizens of the state and former students at colleges and universities in the state to meet the needs of local employers.

b. From the moneys appropriated in subsection 1, the authority may provide financial assistance to early stage industry companies being established by women entrepreneurs.

c. From the moneys appropriated in subsection 1, the authority may provide financial assistance in the form of grants, loans, or forgivable loans for advanced research and commercialization projects involving value-added agriculture, advanced technology, or biotechnology.

d. The authority shall not use any moneys appropriated in subsection 1 for purposes of providing financial assistance for the Iowa green streets pilot project or for any other program or project that involves the installation of geothermal systems for melting snow and ice from streets or sidewalks.

4. WORLD FOOD PRIZE

In lieu of the standing appropriation in section 15.368, there is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2022, and ending June 30, 2023, the following amount for the world food prize:
5. IOWA COMMISSION ON VOLUNTEER SERVICE
   a. There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2022, and ending June 30, 2023, the following amount for allocation to the Iowa commission on volunteer service for purposes of the Iowa state commission grant program, the Iowa's promise and Iowa mentoring partnership programs, and for not more than the following full-time equivalent positions:

   $ 375,000

   $ 168,201

   FTEs 12.70

   Of the moneys appropriated in this subsection, the authority shall allocate $75,000 for purposes of the Iowa state commission grant program and $93,201 for purposes of the Iowa's promise and Iowa mentoring partnership programs.

   b. Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

6. COUNCILS OF GOVERNMENTS — ASSISTANCE

   There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2022, and ending June 30, 2023, the following amount to be used for the purposes of providing financial assistance to Iowa's councils of governments:

   $ 350,000

7. FUTURE READY IOWA REGISTERED APPRENTICESHIP DEVELOPMENT PROGRAM

   a. There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2022, and ending June 30, 2023, the following amount to be used for the funding of the future ready Iowa registered apprenticeship development program under chapter
H.F. _____

1 15C, to encourage small to midsize businesses to start or grow
2 registered apprenticeships:
3 ................................................................. $  760,000
4   b. Notwithstanding section 8.33, moneys appropriated in
5 this subsection that remain unencumbered or unobligated at the
6 close of the fiscal year shall not revert but shall remain
7 available for expenditure for the purposes designated until the
8 close of the succeeding fiscal year.
9 8. REGIONAL SPORTS AUTHORITY DISTRICTS
10   a. There is appropriated from the general fund of the state
11 to the economic development authority for the fiscal year
12 beginning July 1, 2022, and ending June 30, 2023, the following
13 amount to be distributed equally to regional sports authority
14 districts certified by the authority pursuant to section
15 15E.321:
16 ................................................................. $  500,000
17   b. Notwithstanding section 8.33, moneys appropriated in
18 this subsection that remain unencumbered or unobligated at the
19 close of the fiscal year shall not revert but shall remain
20 available for expenditure for the purposes designated until the
21 close of the succeeding fiscal year.
22 9. BUTCHERY INNOVATION AND REVITALIZATION PROGRAM
23   There is appropriated from the general fund of the state
24 to the economic development authority for the fiscal year
25 beginning July 1, 2022, and ending June 30, 2023, the following
26 amount, or so much thereof as is necessary, for the purpose
27 designated:
28   For support of the butchery innovation and revitalization
29 program established in section 15E.370:
30 ................................................................. $  1,000,000
31 10. COMMUNITY ATTRACTION AND TOURISM FUND
32   There is appropriated from the general fund of the state
33 to the economic development authority for the fiscal year
34 beginning July 1, 2022, and ending June 30, 2023, the following
35 amount, or so much thereof as is necessary, to be used for the
1 purpose designated:
2 For deposit in the community attraction and tourism fund
3 created in section 15F.204:
4 ................................................................. $ 2,000,000
5 11. BROADBAND FORWARD AND TELECOMMUTER FORWARD
6 CERTIFICATIONS
7 There is appropriated from the general fund of the state
8 to the economic development authority for the fiscal year
9 beginning July 1, 2022, and ending June 30, 2023, the following
10 amount, or so much thereof as is necessary, to be used for the
11 purpose designated:
12 For broadband forward and telecommuter forward
13 certifications pursuant to section 15E.167:
14 ................................................................. $ 250,000
15 12. SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS
16 INTERNSHIPS
17 a. There is appropriated from the Iowa skilled worker and
18 job creation fund created in section 8.75 to the Iowa economic
19 development authority for the fiscal year beginning July 1,
20 2022, and ending June 30, 2023, the following amount, or so
21 much thereof as is necessary, to be used for the purposes
22 designated:
23 For the funding of internships for students studying in the
24 fields of science, technology, engineering, and mathematics
25 with eligible Iowa employers as provided in section 15.411,
26 subsection 3, paragraph "c":
27 ................................................................. $ 1,000,000
28 b. No more than 3 percent of the moneys appropriated in this
29 subsection may be used by the authority for costs associated
30 with administration of the internship program.
31 c. Notwithstanding section 8.33, moneys appropriated in
32 this subsection that remain unencumbered or unobligated at the
33 close of the fiscal year shall not revert but shall remain
34 available for expenditure for the purposes designated in
35 subsequent fiscal years.
13. FUTURE READY IOWA — VOLUNTEER MENTORING PROGRAM
   a. There is appropriated from the Iowa skilled worker and
   job creation fund created in section 8.75 to the economic
   development authority for the fiscal year beginning July 1,  
   2022, and ending June 30, 2023, the following amount, or so
   much thereof as is necessary, to be used for the purposes
   designated:
   For allocation to the Iowa commission on volunteer services
   to be used for establishing a volunteer mentor program to
   support implementation of the future ready Iowa skilled
   workforce last-dollar scholarship program in section 261.131
   and the future ready Iowa skilled workforce grant program
   created in section 261.132, and for not more than the following
   full-time equivalent positions:
   ........................... $ 400,000
   ........................... FTEs 1.15
   b. Notwithstanding section 8.33, moneys appropriated in
   this subsection that remain unencumbered or unobligated at the
   close of the fiscal year shall not revert but shall remain
   available for expenditure for the purposes designated until the
   close of the succeeding fiscal year.

14. STEM BEST AND EMPOWER RURAL IOWA
   a. There is appropriated from the Iowa skilled worker and
   job creation fund created in section 8.75 to the economic
   development authority for the fiscal year beginning July 1,  
   2022, and ending June 30, 2023, the following amount, or so
   much thereof as is necessary, to be used for the purposes
   designated:
   STEM best:
   ........................... $ 700,000
   Empower rural Iowa program:
   ........................... $ 700,000
   b. Notwithstanding section 8.33, moneys appropriated in
   this subsection that remain unencumbered or unobligated at the
   close of the fiscal year shall not revert but shall remain
1 available for expenditure for the purposes designated until the 
2 close of the succeeding fiscal year.
3 c. The authority shall adopt rules pursuant to chapter 
4 17A to establish criteria for the distribution of the moneys 
5 appropriated in this subsection.

Sec. 4. LIMITATIONS OF STANDING APPROPRIATIONS — FY 
7 2022-2023. Notwithstanding the standing appropriations 
8 in the following designated sections for the fiscal year 
9 beginning July 1, 2022, and ending June 30, 2023, the amounts 
10 appropriated from the general fund of the state pursuant to 
11 those sections for the following purposes shall not exceed the 
12 following amounts:
13 1. For operational support grants and community cultural 
14 grants under section 99F.11, subsection 4, paragraph "d", 
15 subparagraph (1):
16 ............................................................ $ 448,403 
17 2. For the purposes of regional tourism marketing under 
18 section 99F.11, subsection 4, paragraph "d", subparagraph (2):
19 ............................................................ $ 900,000 

Sec. 5. FINANCIAL ASSISTANCE REPORTING — ECONOMIC 
21 DEVELOPMENT AUTHORITY. The economic development authority 
22 shall submit an annual report to the general assembly no later 
23 than November 1, 2022, that details the amount of every direct 
24 loan, forgivable loan, tax credit, tax exemption, tax refund, 
25 grant, or any other financial assistance awarded to a person 
26 during the prior fiscal year by the authority under an economic 
27 development program administered by the authority. The report 
28 shall identify the county where the project associated with 
29 each such award is located.

Sec. 6. INSURANCE ECONOMIC DEVELOPMENT. From the 
31 moneys collected by the insurance division in excess of the 
32 anticipated gross revenues under section 505.7, subsection 
33 3, during the fiscal year beginning July 1, 2022, $100,000 
34 shall be transferred to the economic development authority for 
35 insurance economic development and international insurance
1 economic development.
2 Sec. 7. IOWA FINANCE AUTHORITY.
3 1. There is appropriated from the general fund of the state to the Iowa finance authority for the fiscal year beginning July 1, 2022, and ending June 30, 2023, the following amount, or so much thereof as is necessary, to be used to provide reimbursement for rent expenses to eligible persons under the home and community-based services rent subsidy program established in section 16.55:
4 ............................................................... $ 658,000
5 2. Of the moneys appropriated in this section, not more than $35,000 may be used for administrative costs.
6 3. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.
7 Sec. 8. IOWA FINANCE AUTHORITY AUDIT. The auditor of state is requested to review the audit of the Iowa finance authority performed by the auditor hired by the authority.
8 Sec. 9. PUBLIC EMPLOYMENT RELATIONS BOARD.
9 1. There is appropriated from the general fund of the state to the public employment relations board for the fiscal year beginning July 1, 2022, and ending June 30, 2023, the following amount, or so much thereof as is necessary, to be used for the purposes designated:
10 ............................................................... $ 1,492,452
11 ............................................................... FTEs 10.00
12 2. Of the moneys appropriated in this section, the board shall allocate $15,000 for maintaining an internet site that allows access to a searchable database of collective bargaining information.

H.F. _____

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Sec. 10. DEPARTMENT OF WORKFORCE DEVELOPMENT. There is appropriated from the general fund of the state to the department of workforce development for the fiscal year beginning July 1, 2022, and ending June 30, 2023, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DIVISION OF LABOR SERVICES
   a. For the division of labor services, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
   $3,491,252
   FTEs 58.46
   b. From the contractor registration fees, the division of labor services shall reimburse the department of inspections and appeals for all costs associated with hearings under chapter 91C, relating to contractor registration.

2. DIVISION OF WORKERS’ COMPENSATION
   a. For the division of workers’ compensation, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
   $3,321,044
   FTEs 26.15
   b. The division of workers’ compensation shall charge a $100 filing fee for workers’ compensation cases. The filing fee shall be paid by the petitioner of a claim. However, the fee can be taxed as a cost and paid by the losing party, except in cases where it would impose an undue hardship or be unjust under the circumstances. The moneys generated by the filing fee allowed under this paragraph are appropriated to the department of workforce development to be used for purposes of administering the division of workers’ compensation.

3. WORKFORCE DEVELOPMENT OPERATIONS
   a. For the operation of field offices, the workforce development board, and for not more than the following full-time equivalent positions:
1                      ................................................. $ 6,675,650
2                      ................................................. FTEs 188.63
3          b. Of the moneys appropriated in paragraph “a”, the
department shall allocate $150,000 to the state library for the
purpose of licensing an online resource which prepares persons
to succeed in the workplace through programs which improve job
skills and vocational test-taking abilities.
4     4. OFFENDER REENTRY PROGRAM
5          a. For the development and administration of an offender
reentry program to provide offenders with employment skills,
and for not more than the following full-time equivalent
positions:
6                      ................................................. $ 387,158
7                      ................................................. FTEs 5.00
8          b. The department of workforce development shall partner
with the department of corrections to provide staff within
the correctional facilities resources to improve offenders’
abilities to find and retain productive employment.
9     5. INTEGRATED INFORMATION FOR IOWA SYSTEM
10      For the payment of services provided by the department of
administrative services related to the integrated information
for Iowa system:
11                      ................................................. $ 228,822
12     6. SUMMER YOUTH INTERN PILOT PROGRAM
13      For the funding of a summer youth intern pilot program that
will help young people at risk of not graduating from high
school to explore and prepare for high-demand careers through
summer work experience, including the development of soft
skills:
14                      ................................................. $ 250,000
15     7. NONREVERSION
16      Notwithstanding section 8.33, moneys appropriated in this
section that remain unencumbered or unobligated at the close of
the fiscal year shall not revert but shall remain available for
expenditure for the purposes designated until the close of the
succeeding fiscal year.

Sec. 11. GENERAL FUND — EMPLOYEE MISCLASSIFICATION PROGRAM. There is appropriated from the general fund of the state to the department of workforce development for the fiscal year beginning July 1, 2022, and ending June 30, 2023, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For enhancing efforts to investigate employers that misclassify workers, and for not more than the following full-time equivalent positions:

$379,631

FTEs 3.15

Sec. 12. SPECIAL EMPLOYMENT SECURITY CONTINGENCY FUND.

1. There is appropriated from the special employment security contingency fund to the department of workforce development for the fiscal year beginning July 1, 2022, and ending June 30, 2023, the following amount, or so much thereof as is necessary, to be used for field offices:

$2,416,084

2. Any remaining additional penalty and interest revenue collected by the department of workforce development is appropriated to the department for the fiscal year beginning July 1, 2022, and ending June 30, 2023, to accomplish the mission of the department.

Sec. 13. UNEMPLOYMENT COMPENSATION RESERVE FUND — FIELD OFFICES. Notwithstanding section 96.9, subsection 8, paragraph “e”, there is appropriated from interest earned on the unemployment compensation reserve fund to the department of workforce development for the fiscal year beginning July 1, 2022, and ending June 30, 2023, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the operation of field offices:

$2,200,000

Sec. 14. VIRTUAL ACCESS WORKFORCE DEVELOPMENT OFFICES. The
1 department of workforce development shall require a unique
2 identification login for all users of workforce development
3 centers operated through electronic means.
4 Sec. 15. UNEMPLOYMENT COMPENSATION PROGRAM. Notwithstanding
5 section 96.9, subsection 4, paragraph “a”, moneys credited to
6 the state by the secretary of the treasury of the United
7 States pursuant to section 903 of the Social Security
8 Act are appropriated to the department of workforce
9 development and shall be used by the department for the
10 administration of the unemployment compensation program only.
11 This appropriation shall not apply to any fiscal year
12 beginning after December 31, 2022.
13 Sec. 16. IOWA SKILLED WORKER AND JOB CREATION FUND.
14 1. There is appropriated from the Iowa skilled worker and
15 job creation fund created in section 8.75 to the following
16 departments, agencies, and institutions for the fiscal year
17 beginning July 1, 2022, and ending June 30, 2023, the following
18 amounts, or so much thereof as is necessary, to be used for the
19 purposes designated:
20 a. ECONOMIC DEVELOPMENT AUTHORITY
21 (1) For the purposes of providing assistance as described in
22 section 15.335B for the high quality jobs program:
23 ......................................................... $ 11,700,000
24 From the moneys appropriated in this subparagraph, the
25 economic development authority may use not more than $1,000,000
26 for purposes of providing infrastructure grants to main street
27 communities under the main street Iowa program and may allocate
28 not more than $300,000 for the purposes of supporting statewide
29 worker education and quality preapprenticeship programs.
30 (2) As a condition of receiving moneys appropriated in
31 this lettered paragraph “a”, an entity shall testify upon the
32 request of the joint appropriations subcommittee on economic
33 development regarding the expenditure of such moneys.
34 b. STATE BOARD OF REGENTS AND REGENTS INSTITUTIONS
35 (1) STATE BOARD OF REGENTS. For capacity building
1 infrastructure in areas related to technology
2 commercialization, marketing and business development
3 efforts in areas related to technology commercialization,
4 entrepreneurship, and business growth, and infrastructure
5 projects and programs needed to assist in implementation of
6 activities under chapter 262B:
7 ......................................................... $ 3,000,000
8     (a) Of the moneys appropriated pursuant to this
9 subparagraph (1), 35 percent shall be allocated for Iowa state
10 university of science and technology, 35 percent shall be
11 allocated for the state university of Iowa, and 30 percent
12 shall be allocated for the university of northern Iowa.
13     (b) The institutions shall provide a one-to-one match
14 of additional moneys for the activities funded with moneys
15 appropriated under this subparagraph (1).
16     (c) The state board of regents shall submit a report by
17 January 15, 2023, to the governor and the general assembly
18 regarding the activities, projects, and programs funded with
19 moneys appropriated under this subparagraph (1). The report
20 shall be provided in an electronic format and shall include a
21 list of metrics and criteria mutually agreed to in advance by
22 the board of regents and the economic development authority.
23 The metrics and criteria shall allow the governor's office and
24 the general assembly to quantify and evaluate the progress
25 of the board of regents institutions with regard to their
26 activities, projects, and programs in the areas of technology
27 commercialization, entrepreneurship, regional development, and
28 market research.
29     (2) IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY. For
30 small business development centers, the research park, and the
31 center for industrial research and service, and for not more
32 than the following full-time equivalent positions:
33 .............................................................. $ 2,424,302
34 .............................................................. FTEs 50.95
35     (a) Of the moneys appropriated in this subparagraph (2),
H.F. ____

1 Iowa state university of science and technology shall allocate
2 at least $735,728 for purposes of funding small business
3 development centers. Iowa state university of science and
4 technology may allocate the appropriated moneys to the various
5 small business development centers in any manner necessary to
6 achieve the purposes of this subparagraph.
7 (b) Iowa state university of science and technology shall
8 do all of the following:
9 (i) Direct expenditures for research toward projects that
10 will provide economic stimulus for Iowa.
11 (ii) Provide emphasis to providing services to Iowa-based
12 companies.
13 (c) It is the intent of the general assembly that the
14 industrial incentive program focus on Iowa industrial sectors
15 and seek contributions and in-kind donations from businesses,
16 industrial foundations, and trade associations, and that moneys
17 for the center for industrial research and service industrial
18 incentive program shall be allocated only for projects which
19 are matched by private sector moneys for directed contract
20 research or for nondirected research. The match required of
21 small businesses as defined in section 15.102 for directed
22 contract research or for nondirected research shall be $1
23 for each $3 of state funds. The match required for other
24 businesses for directed contract research or for nondirected
25 research shall be $1 for each $1 of state funds. The match
26 required of industrial foundations or trade associations shall
27 be $1 for each $1 of state funds.
28 (d) Iowa state university of science and technology shall
29 report annually to the general assembly the total amount of
30 private contributions, the proportion of contributions from
31 small businesses and other businesses, and the proportion for
32 directed contract research and nondirected research of benefit
33 to Iowa businesses and industrial sectors.
34 (3) STATE UNIVERSITY OF IOWA. For the state university of
35 Iowa research park and for university of Iowa pharmaceuticals
1 located at the research park, including salaries, support,
2 maintenance, equipment, and miscellaneous purposes, and for not
3 more than the following full-time equivalent positions:
4 ................................................................. $ 209,279
5 ................................................................. FTEs 6.00
6 The state university of Iowa shall do all of the following:
7 (a) Direct expenditures for research toward projects that
8 will provide economic stimulus for Iowa.
9 (b) Provide emphasis to providing services to Iowa-based
10 companies.
11 (4) STATE UNIVERSITY OF IOWA. For the purpose of
12 implementing the entrepreneurship and economic growth
13 initiative, and for not more than the following full-time
14 equivalent positions:
15 ................................................................. $ 2,000,000
16 ................................................................. FTEs 8.00
17 (5) UNIVERSITY OF NORTHERN IOWA. For the metal casting
18 center, the center for business growth and innovation, and the
19 institute for decision making, including salaries, support,
20 maintenance, and miscellaneous purposes, and for not more than
21 the following full-time equivalent positions:
22 ................................................................. $ 1,066,419
23 ................................................................. FTEs 10.00
24 (a) Of the moneys appropriated in this subparagraph,
25 the university of northern Iowa shall allocate at least
26 $617,638 for purposes of support of entrepreneurs through the
27 university's center for business growth and innovation and
28 advance Iowa program.
29 (b) The university of northern Iowa shall do all of the
30 following:
31 (i) Direct expenditures for research toward projects that
32 will provide economic stimulus for Iowa.
33 (ii) Provide emphasis to providing services to Iowa-based
34 companies.
35 (6) As a condition of receiving moneys appropriated in
H.F. _____

1 this lettered paragraph “b”, an entity shall testify upon the
2 request of the joint appropriations subcommittee on economic
3 development regarding the expenditure of such moneys.
4 c. DEPARTMENT OF WORKFORCE DEVELOPMENT
5 To develop a long-term sustained program to train unemployed
6 and underemployed central Iowans with skills necessary to
7 advance to higher-paying jobs with full benefits:
8 .......................... $ 100,000
9 (1) The department of workforce development shall begin
10 a request for proposals process, issued for purposes of this
11 lettered paragraph “c”, no later than September 1, 2022.
12 (2) As a condition of receiving moneys appropriated under
13 this lettered paragraph “c”, an entity shall testify upon the
14 request of the joint appropriations subcommittee on economic
15 development regarding the expenditure of such moneys.
16 d. DEPARTMENT OF WORKFORCE DEVELOPMENT
17 For the funding of a future ready Iowa coordinator in the
18 department, and for not more than the following full-time
19 equivalent positions:
20 .......................... $ 150,000
21 ................................ FTEs 1.00
22 2. Notwithstanding section 8.33, moneys appropriated in
23 this section that remain unencumbered or unobligated at the
24 close of the fiscal year shall not revert but shall remain
25 available for expenditure for the purposes designated until the
26 close of the succeeding fiscal year.
27 Sec. 17. GENERAL FUND — CERTAIN REGENTS INSTITUTIONS.
28 1. There is appropriated from the general fund of the state
29 to the following institutions for the fiscal year beginning
30 July 1, 2022, and ending June 30, 2023, the following amounts,
31 or so much thereof as is necessary, to be used for the purposes
32 designated:
33 a. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY
34 In cooperation with the Iowa economic development authority,
35 for support of a biosciences innovation ecosystem, to
1 strengthen Iowa’s leadership positions in the area of bio-based chemicals, digital agriculture, vaccines, and medical devices, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
<th>FTEs</th>
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<tbody>
<tr>
<td></td>
<td>$ 3,000,000</td>
<td>10.01</td>
</tr>
</tbody>
</table>

b. STATE UNIVERSITY OF IOWA

In cooperation with the Iowa economic development authority, to strengthen Iowa’s leadership positions in the area of bio-based chemicals, digital agriculture, vaccines, and medical devices, including salaries, support, maintenance, and miscellaneous purposes:

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<th>Amount</th>
<th>FTEs</th>
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<tbody>
<tr>
<td></td>
<td>$ 1,000,000</td>
<td>4.35</td>
</tr>
</tbody>
</table>

c. UNIVERSITY OF NORTHERN IOWA

For equipment and technology to expand the university’s additive manufacturing capabilities related to investment castings technology and industry support, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

<table>
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<tr>
<th></th>
<th>Amount</th>
<th>FTEs</th>
</tr>
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<tr>
<td></td>
<td>$ 394,321</td>
<td>2.73</td>
</tr>
</tbody>
</table>

The university of northern Iowa shall make a good-faith effort to coordinate with private entities to seek moneys to supplement this appropriation to support the expansion of the university’s additive manufacturing capabilities.

2. Notwithstanding section 8.33, moneys appropriated in subsection 1, paragraphs “a” and “b”, that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

DIVISION II

FY 2022-2023 CONTINGENT APPROPRIATION
Sec. 18. ECONOMIC DEVELOPMENT AUTHORITY.

1. There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2022, and ending June 30, 2023, the following amount, or so much thereof as is necessary, for the purpose designated:

For support of the dairy processing and milk production innovation and revitalization program:

$1,000,000

2. Notwithstanding section 8.33, moneys appropriated in this section which remain unencumbered or unobligated at the end of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 19. CONTINGENT EFFECTIVE DATE. The following takes effect on the effective date of 2022 Iowa Acts, House File 2433, or successor legislation, if enacted:

The section of this division of this Act appropriating moneys to the economic development authority for purposes of a dairy processing and milk production innovation and revitalization program.

DIVISION III
HIGH QUALITY JOBS TAX CREDITS

Sec. 20. Section 15.119, subsection 2, paragraph a, subparagraph (2), Code 2022, is amended to read as follows:

(2) In allocating tax credits pursuant to this subsection for the fiscal year beginning July 1, 2021, and for each fiscal year thereafter, the authority shall not allocate more than seventy sixty-eight million dollars for purposes of this paragraph.

DIVISION IV
EMPLOYER CHILD CARE TAX CREDIT

Sec. 21. NEW SECTION. 237A.31 Employer child care tax credit.

1. The taxes imposed under chapter 422, subchapter II or
III, the franchise tax imposed under chapter 422, subchapter V, the gross premiums tax under chapter 432, or the moneys and credits tax imposed under section 533.329 shall be reduced by an employer child care tax credit equal to the amount of the federal employer-provided child care tax credit provided in section 45F of the Internal Revenue Code the taxpayer was eligible for in the same tax year.

2. Any credit in excess of the tax liability is not refundable but the excess for the tax year may be credited to the tax liability for the following five years or until depleted, whichever is earlier.

3. a. The aggregate amount of tax credits authorized pursuant to this section shall not exceed an aggregate limit of two million dollars annually.

   b. To receive a tax credit, a taxpayer must submit an application to the economic development authority in the form and manner prescribed by the authority by rule. The economic development authority shall issue certificates under this section on a first-come, first-served basis, which certificates may be redeemed for tax credits. The economic development authority shall issue such certificates so that not more than the amount authorized for such tax credits under paragraph "a" may be claimed.

4. The department of revenue, in consultation with the economic development authority, shall adopt rules pursuant to chapter 17A to administer this section.

Sec. 22. NEW SECTION. 422.120 Employer child care tax credit.

1. The taxes imposed under this subchapter, less the credits allowed under section 422.12, shall be reduced by an employer child care tax credit allowed pursuant to section 237A.31.

2. An individual may claim the tax credit allowed a partnership, S corporation, limited liability company, estate, or trust electing to have the income taxed directly to the individual. The amount claimed by the individual shall be
H.F. ____

1 based upon the pro rata share of the individual’s earnings of a
2 partnership, S corporation, limited liability company, estate,
3 or trust.
4 Sec. 23. Section 422.33, Code 2022, is amended by adding the
5 following new subsection:
6 NEW SUBSECTION. 32. The taxes imposed under this subchapter
7 shall be reduced by an employer child care tax credit allowed
8 pursuant to section 237A.31.
9 Sec. 24. Section 422.60, Code 2022, is amended by adding the
10 following new subsection:
11 NEW SUBSECTION. 15. The taxes imposed under this division
12 shall be reduced by an employer child care tax credit allowed
13 pursuant to section 237A.31.
14 Sec. 25. NEW SECTION. 432.120 Employer child care tax
15 credit.
16 The taxes imposed under this chapter shall be reduced by
17 an employer child care tax credit allowed pursuant to section
18 237A.31.
19 Sec. 26. Section 533.329, subsection 2, Code 2022, is
20 amended by adding the following new paragraph:
21 NEW PARAGRAPH. m. The moneys and credits tax imposed under
22 this section shall be reduced by an employer child care tax
23 credit allowed pursuant to section 237A.31.
24 Sec. 27. APPLICABILITY. This division of this Act applies
25 to tax years beginning on or after January 1, 2023.
26 DIVISION V
27 HOUSING RENEWAL PILOT PROGRAM
28 Sec. 28. HOUSING RENEWAL PILOT PROGRAM.
29 1. For purposes of this section, “nonprofit Iowa affiliate”
30 means a nonprofit Iowa affiliate of a nonprofit international
31 organization whose primary activity is the promotion of the
32 construction, remodeling, or rehabilitation of one-family or
33 two-family dwellings for use by low-income families.
34 2. a. A housing renewal program fund is created in the
35 state treasury under the control of the Iowa finance authority.
The fund shall consist of moneys appropriated to or deposited in the fund. Moneys in the fund are appropriated to the authority to establish and administer a housing renewal pilot program.

b. For the fiscal year beginning July 1, 2022, and ending June 30, 2023, there is appropriated from the general fund of the state to the Iowa finance authority one million five hundred thousand dollars for deposit in the housing renewal program fund.

c. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the housing renewal program fund shall be credited to the fund. Payment of interest, recaptures of grant awards, and other repayments under the housing renewal pilot program shall be deposited in the fund.

3. a. The Iowa finance authority shall provide moneys from the housing renewal program fund to a nonprofit Iowa affiliate that shall use the moneys to award grants under the housing renewal pilot program to eligible participants in Mason City, Waterloo, Des Moines, the region twelve council of governments, and the southeast Iowa regional planning commission.

b. Eligible participants under paragraph “a” shall use a grant awarded under the housing renewal pilot program only for purposes of the acquisition, rehabilitation, and resale of ownership units; the acquisition and demolition of blighted structures; and the redevelopment of ownership units.

4. Twenty-five percent of moneys appropriated to the housing renewal program fund shall be allocated to rural communities in the eighty-eight least populated counties in the state.

5. a. The nonprofit Iowa affiliate may partner with a city, a county, a consortium of local governments, or an organization exempt from taxation pursuant to section 501(c)(3) of the Internal Revenue Code; however, the nonprofit Iowa affiliate shall determine the geographic location of all projects for which a grant is awarded.
b. The nonprofit Iowa affiliate shall not award a grantee more than one hundred thousand dollars per ownership unit. A grantee may use up to ten percent of a grant for administration expenses related to the grantee’s project.

c. (1) A grantee shall have thirty-six months from the date a contract is executed between the nonprofit Iowa affiliate and the grantee for the grantee’s project. The grantee’s project shall be considered complete when all grant funds awarded to the grantee have been expended, and all ownership units that are covered by the contract are finished and available for sale.

(2) If a grantee has no project activity within thirty-six months from the date a contract is executed between the nonprofit Iowa affiliate and the grantee, the grant award shall be returned to the Iowa finance authority for deposit in the housing renewal program fund.

d. A grantee shall sell each completed ownership unit to a homebuyer whose income is under the one hundred twenty percent area median income and who must occupy the ownership unit as the homebuyer’s primary residence. The deed to the ownership unit must contain a restrictive resale requirement that prohibits the homebuyer or a subsequent owner from selling the ownership unit to a person with an income above the one hundred twenty percent area median income for five calendar years from the date the grantee sold the ownership unit to the first homebuyer whose income is under the one hundred twenty percent area median income.

6. A grantee may use income generated from the sale of an ownership unit only for the purpose of additional eligible expenses under the housing renewal pilot program.

7. The Iowa finance authority shall not use more than five percent of moneys allocated to the housing renewal program fund for administration and oversight of the housing renewal pilot program.

8. The Iowa finance authority shall adopt rules pursuant to
chapter 17A to administer this division.

9. The Iowa finance authority, in coordination with the nonprofit Iowa affiliate, shall submit a report to the general assembly on or before December 31, 2023, describing the community, economic, and financial impact of the housing renewal pilot program.

EXPLANATION

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

This bill is organized by divisions.

Division I of the bill appropriates moneys for the fiscal year 2022-2023 from the general fund of the state to the department of cultural affairs, the economic development authority, the Iowa finance authority, the public employment relations board, the department of workforce development, Iowa state university of science and technology, the state university of Iowa, and the university of northern Iowa. The division appropriates moneys for fiscal year 2022-2023 from the general fund of the state to the economic development authority for support of the butchery innovation and revitalization program, for deposit in the community attraction and tourism fund, and for broadband forward and telecommuter forward certifications.

The division appropriates moneys for the fiscal year 2022-2023 from the Iowa skilled worker and job creation fund created in Code section 8.75 to the economic development authority, the department of workforce development, and the state board of regents and institutions under the control of the board.

For the fiscal year 2022-2023, the division limits standing appropriations established in the Code for the world food prize, certain operational support grants, community cultural grants, and regional tourism marketing.

The division transfers $100,000 of the moneys collected by the insurance division in excess of the anticipated gross
revenues under Code section 505.7 to the economic development authority.

The division appropriates moneys for the fiscal year 2022-2023 from the special employment security contingency fund to the department of workforce development.

The division appropriates interest earned on the unemployment compensation reserve fund for the fiscal year 2022-2023 to the department of workforce development.

Moneys credited to the state by the secretary of treasury of the United States pursuant to section 903 of the Social Security Act are appropriated to the department of workforce development.

The auditor of state is requested to review the audit of the Iowa finance authority performed by the auditor hired by the authority.

The division requires the economic development authority to submit an annual report to the general assembly by November 1, 2022, detailing all financial assistance awarded in the prior fiscal year.

Division II of the bill appropriates moneys for fiscal year 2022-2023 from the general fund of the state to the economic development authority for support of the dairy processing and milk production innovation and revitalization program.

The contingent effective date for the appropriation is the effective date of 2022 Iowa Acts, House File 2433, or successor legislation, if enacted.

Division III reduces the tax credits allocated to the high quality jobs program from no more than $70 million to no more than $68 million for the fiscal year beginning July 1, 2022, and for each fiscal year thereafter.

Division IV creates an employer child tax credit for tax years beginning on or after January 1, 2023.

Division V creates a housing renewal program fund in the state treasury under the control of the Iowa finance authority. Moneys in the fund are appropriated to the authority to
1 establish and administer the housing renewal pilot program
described in the division.