

HOUSE FILE _____
BY (PROPOSED HOUSE
APPROPRIATIONS SUBCOMMITTEE
ON ECONOMIC DEVELOPMENT
BILL)

A BILL FOR

1 An Act relating to appropriations to the department of cultural
2 affairs, the economic development authority, certain
3 board of regents institutions, the department of workforce
4 development, the Iowa finance authority, and the public
5 employment relations board, providing for other properly
6 related matters, including effective date and retroactive
7 and other applicability provisions.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

FY 2012-2013 APPROPRIATIONS

Section 1. 2011 Iowa Acts, chapter 130, section 48, is amended to read as follows:

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

1. ADMINISTRATION

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

.....	\$	85,907
		<u>171,813</u>
.....	FTEs	74.50

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

Full-time equivalent positions authorized under this subsection shall be funded, in full or in part, using moneys appropriated under this subsection ~~and~~, subsections 3 through 7, and subsection 10.

2. COMMUNITY CULTURAL GRANTS

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

.....	\$	86,045
		<u>172,090</u>

3. HISTORICAL DIVISION

For the support of the historical division:

.....	\$	1,383,851
		<u>2,767,701</u>

4. HISTORIC SITES

1 For the administration and support of historic sites:
2 \$ 213,199
3 426,398

4 5. ARTS DIVISION
5 For the support of the arts division:
6 \$ 466,882
7 933,764

8 6. IOWA GREAT PLACES
9 For the Iowa great places program established under section
10 303.3C:
11 \$ 75,000
12 150,000

13 7. ARCHIVE IOWA GOVERNORS' RECORDS
14 For archiving the records of Iowa governors:
15 \$ 32,967
16 65,933

17 8. RECORDS CENTER RENT
18 For payment of rent for the state records center:
19 \$ 113,622
20 227,243

21 9. BATTLE FLAGS
22 For continuation of the project recommended by the Iowa
23 battle flag advisory committee to stabilize the condition of
24 the battle flag collection:
25 \$ 30,000
26 60,000

27 10. FILM OFFICE
28 For the support of the film office:
29 \$ 150,000

30 Sec. 2. 2011 Iowa Acts, chapter 130, section 49, subsection
31 1, is amended to read as follows:
32 1. For the fiscal year beginning July 1, 2012, the goals for
33 the ~~department of economic development~~ authority shall be to
34 expand and stimulate the state economy, increase the wealth of
35 Iowans, and increase the population of the state.

1 Sec. 3. 2011 Iowa Acts, chapter 130, section 49, subsection
2 2, unnumbered paragraph 1, is amended to read as follows:

3 To achieve the goals in subsection 1, the ~~department of~~
4 economic development authority shall do all of the following
5 for the fiscal year beginning July 1, 2012:

6 Sec. 4. 2011 Iowa Acts, chapter 130, section 50, subsection
7 1, is amended to read as follows:

8 1. APPROPRIATION

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

15	\$	4,891,712
16		<u>8,818,424</u>
17	FTEs	149.00

18 Of the moneys appropriated pursuant to this subsection, the
19 economic development authority shall not allocate more than
20 \$35,000 for the purchase of licensing related to a business
21 assistance website.

22 Sec. 5. 2011 Iowa Acts, chapter 130, section 50, subsection
23 2, paragraphs b and c, are amended to read as follows:

24 b. The full-time equivalent positions authorized under this
25 section shall be funded, in whole or in part, by the moneys
26 appropriated under subsection 1 or by other moneys received by
27 the ~~department~~ authority, including certain federal moneys.

28 c. For business development operations and programs, ~~the~~
29 ~~film office,~~ international trade, export assistance, workforce
30 recruitment, and the partner state program.

31 Sec. 6. 2011 Iowa Acts, chapter 130, section 50, subsection
32 4, paragraph c, is amended to read as follows:

33 c. A business that receives financial assistance from the
34 ~~department~~ authority from moneys appropriated in this section
35 shall only employ individuals legally authorized to work in

1 this state. In addition to all other applicable penalties
2 provided by current law, all or a portion of the assistance
3 received by a business which is found to knowingly employ
4 individuals not legally authorized to work in this state is
5 subject to recapture by the department.

6 Sec. 7. 2011 Iowa Acts, chapter 130, section 50, subsection
7 5, is amended to read as follows:

8 5. USES OF APPROPRIATIONS

9 a. From the moneys appropriated in this section, the
10 ~~department~~ authority may provide financial assistance in the
11 form of a grant to a community economic development entity for
12 conducting a local workforce recruitment effort designed to
13 recruit former citizens of the state and former students at
14 colleges and universities in the state to meet the needs of
15 local employers.

16 b. From the moneys appropriated in this section, the
17 ~~department~~ authority may provide financial assistance to
18 early stage industry companies being established by women
19 entrepreneurs.

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

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

31 Sec. 8. 2011 Iowa Acts, chapter 130, section 50, subsection
32 7, is amended to read as follows:

33 7. IOWA COMMISSION ON VOLUNTEER SERVICE

34 For allocation to the Iowa commission on volunteer service
35 for the Iowa's promise and mentoring partnership programs, for

1 transfer to the Iowa state commission grant program, and for
2 not more than the following full-time equivalent positions:

3	\$	89,067
4		<u>178,133</u>
5	FTEs	7.00

6 Of the moneys appropriated in this subsection, the
7 ~~department authority~~ shall allocate ~~\$37,500~~ \$75,000 for
8 purposes of the Iowa state commission grant program and ~~\$51,567~~
9 \$103,133 for purposes of the Iowa's promise and mentoring
10 partnership programs.

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

16 Sec. 9. 2011 Iowa Acts, chapter 130, section 51, is amended
17 to read as follows:

18 SEC. 51. VISION IOWA PROGRAM — FTE AUTHORIZATION. For
19 purposes of administrative duties associated with the vision
20 Iowa program for the fiscal year beginning July 1, 2012, the
21 ~~department of economic development~~ authority is authorized an
22 additional 2.25 FTEs above those otherwise authorized in this
23 division of this Act.

24 Sec. 10. 2011 Iowa Acts, chapter 130, section 52, is amended
25 to read as follows:

26 SEC. 52. INSURANCE ECONOMIC DEVELOPMENT. From the moneys
27 collected by the division of insurance in excess of the
28 anticipated gross revenues under section 505.7, subsection
29 3, during the fiscal year beginning July 1, 2012, \$100,000
30 shall be transferred to the ~~department of economic development~~
31 authority for insurance economic development and international
32 insurance economic development.

33 Sec. 11. 2011 Iowa Acts, chapter 130, section 53, is amended
34 to read as follows:

35 SEC. 53. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding

1 section 15E.120, subsection 5, there is appropriated from the
2 Iowa community development loan fund all moneys available
3 during the fiscal year beginning July 1, 2012, and ending June
4 30, 2013, to the ~~department of~~ economic development authority
5 for purposes of the community development program.

6 Sec. 12. 2011 Iowa Acts, chapter 130, section 54, is amended
7 to read as follows:

8 SEC. 54. WORKFORCE DEVELOPMENT FUND. There is appropriated
9 from the workforce development fund account created in section
10 15.342A to the workforce development fund created in section
11 15.343 for the fiscal year beginning July 1, 2012, and ending
12 June 30, 2013, the following amount, for purposes of the
13 workforce development fund:

14 \$ 2,000,000
15 4,000,000

16 Sec. 13. 2011 Iowa Acts, chapter 130, section 55, is amended
17 to read as follows:

18 SEC. 55. WORKFORCE DEVELOPMENT ADMINISTRATION. From
19 moneys appropriated or transferred to or receipts credited
20 to the workforce development fund created in section 15.343,
21 up to \$400,000 for the fiscal year beginning July 1, 2012,
22 and ending June 30, 2013, are appropriated to the ~~department~~
23 ~~of~~ economic development authority for the administration of
24 workforce development activities including salaries, support,
25 maintenance, and miscellaneous purposes, and for not more than
26 the following full-time equivalent positions:

27 FTEs 4.00

28 Sec. 14. 2011 Iowa Acts, chapter 130, section 57,
29 subsections 1, 2, and 4, are amended to read as follows:

30 1. There is appropriated from the general fund of the state
31 to Iowa state university of science and technology for the
32 fiscal year beginning July 1, 2012, and ending June 30, 2013,
33 the following amount, or so much thereof as is necessary, to
34 be used for small business development centers, ~~the science~~
35 ~~and technology research park,~~ and the institute for physical

1 research and technology, and for not more than the following
2 full-time equivalent positions:

3	\$	1,212,151
4			<u>883,832</u>
5	FTEs	56.63
6			<u>22.73</u>

7 2. Of the moneys appropriated in subsection 1, Iowa state
8 university of science and technology shall allocate at least
9 ~~\$468,178~~ \$735,728 for purposes of funding small business
10 development centers. Iowa state university of science and
11 technology may allocate moneys appropriated in subsection 1 to
12 the various small business development centers in any manner
13 necessary to achieve the purposes of this subsection.

14 4. It is the intent of the general assembly that the
15 industrial incentive program focus on Iowa industrial
16 sectors and seek contributions and in-kind donations from
17 businesses, industrial foundations, and trade associations,
18 and that moneys for the institute for physical research and
19 technology industrial incentive program shall be allocated
20 only for projects which are matched by private sector moneys
21 for directed contract research or for nondirected research.
22 The match required of small businesses as defined in section
23 15.102, subsection ~~6~~ 10, for directed contract research or for
24 nondirected research shall be \$1 for each \$3 of state funds.
25 The match required for other businesses for directed contract
26 research or for nondirected research shall be \$1 for each \$1 of
27 state funds. The match required of industrial foundations or
28 trade associations shall be \$1 for each \$1 of state funds.

29 Iowa state university of science and technology shall
30 report annually to the joint appropriations subcommittee on
31 economic development and the legislative services agency the
32 total amount of private contributions, the proportion of
33 contributions from small businesses and other businesses, and
34 the proportion for directed contract research and nondirected
35 research of benefit to Iowa businesses and industrial sectors.

1 Sec. 15. 2011 Iowa Acts, chapter 130, section 59,
2 subsections 1 and 2, are amended to read as follows:

3 1. There is appropriated from the general fund of the
4 state to the university of northern Iowa for the fiscal year
5 beginning July 1, 2012, and ending June 30, 2013, the following
6 amount, or so much thereof as is necessary, to be used for the
7 ~~metal casting institute,~~ the MyEntreNet internet application,
8 and the institute of decision making, including salaries,
9 support, maintenance, miscellaneous purposes, and for not more
10 than the following full-time equivalent positions:

11	\$	287,358
12		<u>517,263</u>
13	FTEs	6.75
14		<u>5.55</u>

15 2. Of the moneys appropriated pursuant to subsection 1, the
16 university of northern Iowa shall allocate at least ~~\$58,820~~
17 \$117,639 for purposes of support of entrepreneurs through the
18 university's regional business center.

19 Sec. 16. 2011 Iowa Acts, chapter 130, section 61,
20 subsections 1 and 2, are amended to read as follows:

21 1. DIVISION OF LABOR SERVICES

22 a. For the division of labor services, including salaries,
23 support, maintenance, miscellaneous purposes, and for not more
24 than the following full-time equivalent positions:

25	\$	1,747,720
26		<u>3,495,440</u>
27	FTEs	64.00

28 b. From the contractor registration fees, the division of
29 labor services shall reimburse the department of inspections
30 and appeals for all costs associated with hearings under
31 chapter 91C, relating to contractor registration.

32 2. DIVISION OF WORKERS' COMPENSATION

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

1	\$	1,474,522
2		<u>2,949,044</u>
3	FTEs	30.00

4 b. The division of workers' compensation shall charge a
5 \$100 filing fee for workers' compensation cases. The filing
6 fee shall be paid by the petitioner of a claim. However, the
7 fee can be taxed as a cost and paid by the losing party, except
8 in cases where it would impose an undue hardship or be unjust
9 under the circumstances. The moneys generated by the filing
10 fee allowed under this subsection are appropriated to the
11 department of workforce development to be used for purposes of
12 administering the division of workers' compensation.

13 Sec. 17. 2011 Iowa Acts, chapter 130, section 61, subsection
14 4, is amended to read as follows:

15 4. OFFENDER REENTRY PROGRAM

16 a. For the development and administration of an offender
17 reentry program to provide offenders with employment skills,
18 and for not more than the following full-time equivalent
19 positions:

20	\$	142,232
21		<u>284,464</u>
22	FTEs	3.00

23 b. The department shall partner with the department of
24 corrections to provide staff within the correctional facilities
25 to improve offenders' abilities to find and retain productive
26 employment.

27 Sec. 18. 2011 Iowa Acts, chapter 130, section 63, subsection
28 1, is amended to read as follows:

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

34	\$	608,542
35		<u>1,217,084</u>

1 Sec. 19. 2011 Iowa Acts, chapter 130, section 64, is amended
2 to read as follows:

3 SEC. 64. UNEMPLOYMENT COMPENSATION RESERVE FUND —
4 FIELD OFFICES. Notwithstanding section 96.9, subsection 8,
5 paragraph "e", there is appropriated from interest earned on
6 the unemployment compensation reserve fund to the department
7 of workforce development for the fiscal year beginning July 1,
8 2012, and ending June 30, 2013, the following amount or so much
9 thereof as is necessary, for the purposes designated:

10 For the operation of field offices:
11 \$ ~~1,200,000~~
12 500,000

13 Sec. 20. 2011 Iowa Acts, chapter 130, section 65, is amended
14 to read as follows:

15 SEC. 65. GENERAL FUND — EMPLOYEE MISCLASSIFICATION
16 PROGRAM. There is appropriated from the general fund of the
17 state to the department of workforce development for the fiscal
18 year beginning July 1, 2012, and ending June 30, 2013, the
19 following amount, or so much thereof as is necessary, to be
20 used for the purposes designated:

21 For enhancing efforts to investigate employers that
22 misclassify workers and for not more than the following
23 full-time equivalent positions:
24 \$ ~~225,729~~
25 451,458
26 FTEs 8.10

27 Sec. 21. 2011 Iowa Acts, chapter 130, section 67, subsection
28 1, is amended to read as follows:

29 1. There is appropriated from the general fund of the state
30 to the Iowa finance authority for the fiscal year beginning
31 July 1, 2012, and ending June 30, 2013, the following amount,
32 or so much thereof as is necessary, to be used to provide
33 reimbursement for rent expenses to eligible persons under the
34 rent subsidy program:

35 \$ ~~329,000~~

1 658,000

2 Sec. 22. 2011 Iowa Acts, chapter 130, section 69, subsection
3 1, is amended to read as follows:

4 1. There is appropriated from the general fund of the state
5 to the public employment relations board for the fiscal year
6 beginning July 1, 2012, and ending June 30, 2013, the following
7 amount, or so much thereof as is necessary, for the purposes
8 designated:

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

12	\$	528,936
13		<u>1,148,426</u>
14	FTEs	10.00

15 Sec. 23. REPEAL. 2011 Iowa Acts, chapter 130, section 58,
16 is repealed.

17 DIVISION II

18 FILM OFFICE

19 Sec. 24. Section 2.48, subsection 3, paragraph c,
20 subparagraph (5), Code 2011, is amended by striking the
21 subparagraph.

22 Sec. 25. Section 15.119, subsection 2, paragraph b, Code
23 Supplement 2011, is amended by striking the paragraph.

24 Sec. 26. Section 303.1, subsection 4, Code 2011, is amended
25 by adding the following new paragraph:

26 NEW PARAGRAPH. e. Film office.

27 Sec. 27. NEW SECTION. 303.95 **Film office establishment and**
28 **purpose.**

29 The department shall establish and administer a film office.
30 The purpose of the film office is to assist legitimate film,
31 television, and video producers in the production of film,
32 television, and video projects in the state and to increase the
33 fiscal impact on the state's economy of film, television, and
34 video projects produced in the state.

35 Sec. 28. Section 422.7, subsection 52, Code Supplement

1 2011, is amended by striking the subsection.

2 Sec. 29. Section 422.33, subsections 23 and 24, Code
3 Supplement 2011, are amended by striking the subsections.

4 Sec. 30. Section 422.35, subsection 23, Code Supplement
5 2011, is amended by striking the subsection.

6 Sec. 31. Section 422.60, subsections 10 and 11, Code
7 Supplement 2011, are amended by striking the subsections.

8 Sec. 32. Section 533.329, subsection 2, paragraphs f and g,
9 Code Supplement 2011, are amended by striking the paragraphs.

10 Sec. 33. REPEAL. Sections 15.391, 15.392, 15.393, 422.11T,
11 422.11U, 432.12J, and 432.12K, Code and Code Supplement 2011,
12 are repealed.

13 Sec. 34. EFFECTIVE UPON ENACTMENT. This division of this
14 Act, being deemed of immediate importance, takes effect upon
15 enactment.

16 Sec. 35. RETROACTIVE APPLICABILITY. This division of this
17 Act applies retroactively to January 1, 2012, for tax years
18 beginning on or after that date.

19 Sec. 36. APPLICABILITY. This division of this Act does not
20 apply to contracts or agreements entered into on or before the
21 effective date of this Act.

22 EXPLANATION

23 This bill relates to appropriations and transfers from the
24 general fund of the state and other funds to the department
25 of cultural affairs, the economic development authority,
26 the university of northern Iowa, Iowa state university,
27 the department of workforce development, the Iowa finance
28 authority, and the public employment relations board for the
29 2012-2013 fiscal year. The bill is organized by divisions.

30 FY 2012-2013 APPROPRIATIONS. The bill relates to transfers
31 of moneys collected by the division of insurance in excess of
32 the anticipated gross revenues to the economic development
33 authority for purposes of insurance economic development and
34 international insurance economic development.

35 The bill relates to moneys appropriated from the Iowa

1 community development loan fund to the economic development
2 authority for purposes of the community development program.

3 The bill relates to moneys appropriated from the workforce
4 development fund account to the workforce development fund.

5 The bill provides that moneys appropriated or transferred
6 to or receipts credited to the workforce development fund
7 are appropriated to the economic development authority for
8 administration of workforce development activities.

9 The bill relates to moneys appropriated from the special
10 employment security contingency fund to the department of
11 workforce development for field offices.

12 The bill relates to interest earned on the unemployment
13 compensation reserve fund appropriated to the department of
14 workforce development for the operation of field offices.

15 The bill relates to moneys appropriated to the department
16 of workforce development for an employee misclassification
17 program.

18 The bill transfers the film office from the economic
19 development authority to the department of cultural affairs.

20 The bill also eliminates the film, television, and video
21 project promotion program including the related tax credits and
22 income exclusions. This division of the bill takes effect upon
23 enactment, applies retroactively to January 1, 2012, for tax
24 years beginning on or after that date, and does not apply to
25 contracts or agreements entered into on or before the effective
26 date of the bill.