

2017 Legislative Proposals:

Miscellaneous Policy Bill

Questions about this proposal may be directed to:

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PROPOSAL #1: MISCELLANEOUS POLICY AND CLEAN-UP

A. Enhance Iowa program clean-up

Background information: 2016 Iowa Acts, Senate File 2308, established the Enhance Iowa board to assume the powers and duties of the Vision Iowa board. Sections 10 and 12 of the bill, which create Iowa Code section 15F.401 and Iowa Code section 15F.402, respectively, make reference to a “public organization,” which includes a convention and visitor’s bureau or a regional sports authority district certified under Iowa Code section 15E.321. However, section 10 of the bill also defines the term “organization,” which means a “corporation, conference, or other organization.” These terms look and sound similar but have completely separate meanings, and therefore might be confusing.

Proposal: IEDA proposes amending Iowa Code sections 15F.401 and 15F.402, as created by 2016 Iowa Acts, Senate File 2308, by replacing the term “public organization” with the term “public entity” for clarity. Because the term “organization” is already defined, and it has a completely different meaning than “public organization,” it would clarify the code to use the term “public entity” instead.

Impact: This proposal would not have any fiscal impact.

B. Targeted Small Business certification

Background information: Under Iowa Code section 10A.104(8), the Department of Inspections and Appeals has the authority to establish standards and procedures for certifying targeted small businesses (TSB). IEDA and the Department of Inspections and Appeals (DIA) currently have a Memorandum of Understanding, which delegates the TSB certification process to IEDA.

Proposal: IEDA proposes that the language in Iowa Code section 10A.104(8) should be struck from that section and the same language inserted in IEDA’s code. This change would have the effect of codifying the arrangement that IEDA and DIA already have through MOU, and would allow IEDA to enact administrative rules for the TSB certification process.

Impact: This proposal would not have any fiscal impact.

C. Targeted Jobs Withholding Credit

Background information: The Targeted Jobs Withholding Credit in Iowa Code section 403.19A was created in 2006 for the purpose of incenting the creation of jobs and increasing economic development in border cities. Section 403.19A(1) defines a “Targeted job” as a job that pays “a wage at least equal to the *countywide average wage*” (emphasis added). However, the term “countywide average wage” is inconsistent with the definitions for the High Quality Jobs Program in Iowa Code

section 15.327. The High Quality Jobs Program instead uses a “Laborshed wage,” which is defined as follows:

“Laborshed wage” means the wage level represented by those wages within two standard deviations from the mean wage within the laborshed area in which the eligible business is located, as calculated by the authority, by rule, using the most current covered wage and employment data available from the department of workforce development for the laborshed area.

Proposal: IEDA proposes to amend the definition of “Targeted job” in section 403.19A(1) to a job that pays “a wage at least equal to the *laborshed wage*” (emphasis added). Additionally, IEDA proposes to add the definition of “Laborshed wage” above to section 403.19A. The Targeted Jobs Withholding Credit and the High Quality Jobs Program are both programs used to incentivize the creation of jobs and often work together, and utilizing the same wage threshold for both programs would create consistency across programs.

Impact: This proposal would not have any fiscal impact.