

CHAPTER 98**JOB TRAINING WITHHOLDING PAYMENTS***H.F. 367*

AN ACT relating to the transfer of job training withholding payments to the workforce development fund account, making an appropriation, and providing effective and retroactive applicability date provisions.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 422.16A, Code 1997, is amended to read as follows:

422.16A JOB TRAINING WITHHOLDING — CERTIFICATION AND TRANSFER.

~~Upon payment in full of a certificate of participation or other obligation issued to fund a job training program under chapter 260E, including a certificate of participation repaid in whole or in part by the supplemental new jobs credit from withholding under section 15A.7, the community college providing the job training program shall notify the department of economic development of the amount paid by the employer or business to the community college to retire the certificate during the last twelve months of withholding collections.~~
Upon the completion by a business of its repayment obligation for a training project funded under chapter 260E, including a job training project funded under chapter 260E repaid in whole or in part by the supplemental new jobs credit from withholding under section 15A.7, the sponsoring community college shall report to the department of economic development the amount of withholding paid by the business to the community college during the final twelve months of withholding payments. The department of economic development shall notify the department of revenue and finance of that amount. The department shall credit to the workforce development fund account established in section 15.342A twenty-five percent of that amount each quarter for a period of ten years. If the amount of withholding from the business or employer is insufficient, the department shall prorate the quarterly amount credited to the workforce development fund account. The maximum amount from all employers which shall be transferred to the workforce development fund account in any year is ten million dollars.

Sec. 2. All businesses that were part of a multiple issue certificate under chapter 260E and that have met their repayment obligation for a training project under that certificate between July 1, 1996, and the effective date of this Act, shall be identified by the appropriate sponsoring community college. The appropriate sponsoring community college shall report to the department of economic development the amount of diversion that would have been made to the workforce development fund account for each applicable business had this Act been effective beginning July 1, 1996. The appropriate sponsoring community college shall also specify the date that this diversion would have been effective. The department of economic development shall notify the department of revenue and finance of the total amount reported by all sponsoring community colleges. There is appropriated and the department of revenue and finance shall make a one-time credit from the general fund to the workforce development fund account for that amount.

Sec. 3. EFFECTIVE AND APPLICABILITY DATES. This Act, being deemed of immediate importance, takes effect upon enactment and applies retroactively to July 1, 1996, to include any final twelve months of withholding payments beginning on or after that date.

Approved May 1, 1997