

seat is vacant. This subsection does not apply if a special election is not required under section 69.14.

3. REPEAL. This section is repealed January 1, 2003.

Sec. 5. GEOGRAPHY. For purposes of this Act, each reference to a specific city or township means the city or township as its boundary existed on January 1, 2000, the official date for establishing such boundaries under the 2000 United States decennial census. Also, for purposes of this Act, such reference to a street or other boundary means such street or boundary as they are delineated on the official Pub. L. No. 94-171 census maps.

Sec. 6. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved June 22, 2001

CHAPTER 2

EMPLOYMENT SECURITY ADMINISTRATIVE CONTRIBUTION SURCHARGE — COMPUTATION — USE OF FUNDS

H.F. 696

AN ACT relating to the employment security administrative contribution surcharge, and providing an effective date.

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

Section 1. Section 96.7, subsection 12, paragraphs a, c, and d, Code 2001, are amended to read as follows:

a. An employer other than a governmental entity or a nonprofit organization, subject to this chapter, shall pay an administrative contribution surcharge equal in amount to one-tenth of one percent of federal taxable wages, as defined in section 96.19, subsection 37, paragraph "b", subject to the surcharge formula to be developed by the department under this paragraph. The department shall develop a surcharge formula that provides a target revenue level of no greater than six million five hundred twenty-five thousand dollars annually. The department shall reduce the administrative contribution surcharge established for any calendar year proportionate to any federal government funding that provides an increased allocation of moneys for workforce development offices, under the federal employment services financing reform legislation. Any administrative contribution surcharge revenue that is collected in calendar year 2002 in excess of six million five hundred twenty-five thousand dollars shall be deducted from the amount to be collected in calendar year 2003 before the department establishes the administrative contribution surcharge. The department shall recompute the amount as a percentage of taxable wages, as defined in section 96.19, subsection 37, and shall add the percentage surcharge to the employer's contribution rate determined under this section. The percentage surcharge shall be capped at a maximum of seven dollars per employee. The department shall adopt rules prescribing the manner in which the surcharge will be collected. Interest shall accrue on all unpaid surcharges under this subsection at the same rate as on regular contributions and shall be collectible in the same manner. Interest accrued and collected under this paragraph and interest earned and credited

to the fund under paragraph "b" shall be used by the department only for the purposes set forth in paragraph "c".

c. Moneys in the fund shall be used by the department only upon appropriation by the general assembly and only for personnel and nonpersonnel costs of rural and satellite departmental offices in population centers of less than twenty thousand or for the department approved training fund funded in section 8, subsection 2, of 1988 Iowa Acts, chapter 1274. To the extent possible, the department shall colocate the rural and satellite departmental offices funded by the surcharge provided for in this subsection at available community college facilities throughout the state. If colocation at community college facilities is not feasible, the department shall attempt, to the extent possible, to colocate offices in the facilities of other government entities. Moneys in the fund shall not be used for purposes other than those identified in this paragraph or identified in the appropriation of the moneys in the fund by the general assembly.

(1) Moneys in the fund may be used to provide any of the following services to businesses:

(a) Use of a business representative to build one-on-one relationships with businesses. A business representative may provide any of the following:

(i) Workforce consulting in the form of customized strategies to attract, retain, and upgrade the skills of an employer's workforce.

(ii) General and customized recruitment.

(iii) Workplace skill testing and analysis in the form of skill level, aptitude, and ability assessment.

(iv) Employer specific job descriptions, employee handbooks, applications, and other relevant personnel forms.

(b) Labor market surveys and analyses which may include the compilation and dissemination of occupational and wage information.

(c) Contact information and referral services related to any of the following issues:

(i) Workers' compensation.

(ii) Wage and worker rights.

(iii) Registration.

(iv) The federal Occupational Safety and Health Act of 1970 and occupational safety and health standards.

(v) Boiler and elevator regulations.

(vi) Contractor registration.

(vii) Immigration services.

(viii) Unemployment contributions.

(d) A statewide computer networking process for employers and individuals regarding available positions and qualified applicants.

(e) Crosstraining services for workforce development staff.

(2) Moneys in the fund may be used to provide any of the following services to individuals:

(a) Outreach, intake, and orientation services related to any of the following:

(i) Job search and interviewing assistance.

(ii) Initial assessment of skill levels, aptitudes, abilities, and support service needs.

(iii) Proficiency testing.

(iv) Resume development and preparation.

(v) Referral to training and customized skill upgrading.

(vi) Career counseling including assessment and analysis.

(b) Contact information and referral for supportive services including but not limited to transportation, housing, and child care.

(c) Labor market surveys and analyses.

(d) Job development and placement services.

(e) Resource centers that provide individuals with computer access for electronic job search, resume development, career exploration, and keyboard and software training. A resource center may also be equipped with employment, training, and career information including but not limited to employment opportunities available with local employers.

(f) Information and assistance with filing for unemployment compensation benefits.

(3) Moneys in the fund shall not be used for any of the following purposes:

(a) Services that are not included in subparagraphs (1) and (2).

(b) Unemployment tax system renovation and computer upgrades.

(c) Specific consultation services relating to the federal Occupational Safety and Health Act of 1970 and occupational safety and health standards.

(d) Services which are currently provided by other state agencies.

(e) Workforce development regional advisory board member expenses.

(f) Supportive services including but not limited to transportation, housing, and child care.

d. This subsection is repealed July 1, ~~2001~~ 2003, and the repeal is applicable to contribution rates for calendar year ~~2002~~ 2004 and subsequent calendar years.

Sec. 2. RURAL AND SATELLITE DEPARTMENTAL OFFICES REVIEW. The department of workforce development shall establish performance measures for each workforce development office site based on the job seeker entered employment rate, the job seeker employment retention rate, the job seeker average wage at placement, the job seeker customer satisfaction rating, the number of employers served, and the employer customer satisfaction rating, and shall conduct an annual review of the performance measures.

The department, in the annual departmental offices review, shall consider the feasibility of consolidating some of the rural and satellite departmental offices to better serve the public. In addition, the department shall conduct a comprehensive analysis of the efficiency and effectiveness of the department's field office system, including the geographic distribution of the offices.

The department shall prepare a report of its annual departmental offices review findings that sets forth specific review findings for each office site. The report shall contain information gathered in the review as well as information concerning the success of colocation efforts at community colleges throughout the state, the services provided to employers with fifty or fewer employees, the rent or lease costs associated with each office site and the building square footage at each office site, and efforts to pursue other funding sources.

The department shall submit a report of its annual departmental offices review to the governor and general assembly by December 21, 2001, by December 21, 2002, and by December 21, 2003.

Sec. 3. PILOT PROJECTS — FEE-BASED SERVICES. The department of workforce development shall establish pilot projects for the purpose of evaluating the feasibility of charging and collecting fees for certain customized or enhanced employer services. In every annual departmental office review, the department shall include the results of the pilot projects, including the number and type of fee-based services provided, the amount of revenue generated, and the cost basis for the establishment of the fees.

Sec. 4. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved June 26, 2001