

Iowa school districts have already implemented for continuous school improvement programs and to meet the requirements of the federal No Child Left Behind statute. Implementing this new system could have long-range unintended effects on existing local and state assessment systems.

I am unable to approve the item designated as a portion of Section 31, paragraph b. This section requires that \$5,000 from the Student Achievement and Teacher Quality allocation for National Board Certification Awards be used to conduct a study of the impact the national board for professional teaching standards certification of Iowa's teachers has on student achievement. This section requires a research design that would cost far more than the \$5,000 in resources provided to complete the study. In addition, the various studies underway nationally will provide sufficient information for decision-makers in Iowa to debate continuation of this program.

I am unable to approve the item designated as Section 33, third unnumbered paragraph in its entirety. The third unnumbered paragraph of Section 33 allocates up to \$1,000,000 from the Student Achievement and Teacher Quality appropriation for the value-added assessment system. This appropriation is unnecessary with the veto of Section 19. In addition, an investment in Iowa's high quality teaching staff will pay more dividends than creating another assessment data base.

For the above reasons, I respectfully disapprove of the designated items in accordance with Article III, Section 16 of the Constitution of the State of Iowa. All other items in House File 816 are hereby approved as of this date.

Sincerely,
THOMAS J. VILSACK, *Governor*

CHAPTER 170

APPROPRIATIONS — ECONOMIC DEVELOPMENT

H.F. 809

AN ACT relating to and making appropriations to the department of economic development, the office of the treasurer of state, certain board of regents institutions, the department of workforce development, and the public employment relations board, related matters, and providing an effective date.

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

ECONOMIC DEVELOPMENT

Section 1. GOALS AND ACCOUNTABILITY.

1. The goals for the department of economic development 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 department of economic development shall do all of the following:

- 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.

Sec. 2. DEPARTMENT OF ECONOMIC DEVELOPMENT. There is appropriated from the general fund of the state to the department of economic development for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION DIVISION

a. General administration

For salaries, support, maintenance, miscellaneous purposes, programs, for the transfer to the Iowa state commission grant program, and for not more than the following full-time equivalent positions:

.....	\$	1,956,332 ¹
.....	FTEs	28.75

b. The department shall work with businesses and communities to continually improve the economic development climate along with the economic well-being and quality of life for Iowans. The administration division shall coordinate with other state agencies ensuring that all state departments are attentive to the needs of an entrepreneurial culture.

2. BUSINESS DEVELOPMENT DIVISION

a. Business development operations

For business development operations and programs, international trade, export assistance, workforce recruitment, the partner state program, for transfer to the strategic investment fund, for transfer to the value-added agricultural products and processes financial assistance fund, salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	6,084,500
.....	FTEs	57.00

b. The department shall 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 also be placed on entrepreneurial development through helping to secure capital for entrepreneurs, and developing networks and a business climate conducive to entrepreneurs and small business.

c. A business creating jobs with economic development assistance through moneys appropriated in this subsection shall be subject to contract provisions stating that new and retained jobs shall 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 in the United States. Any vendor who receives such public moneys 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 in the United States.

d. From the moneys appropriated in this subsection, the department 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.

e. From the moneys appropriated under this subsection, the department may provide financial assistance to early-stage industry companies being established by women entrepreneurs.

f. From the moneys appropriated under this subsection, the department 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.

¹ See chapter 179, §18 herein

g. 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.

3. COMMUNITY DEVELOPMENT DIVISION

a. Community development programs

For salaries, support, maintenance, miscellaneous purposes, community economic development programs, tourism operations, community assistance, the film office, the mainstreet and rural mainstreet programs, the school-to-career program, the community development block grant, and housing and shelter-related programs and for not more than the following full-time equivalent positions:

.....	\$	5,533,511
.....	FTEs	61.75

b. The department shall encourage development of communities and quality of life to foster economic growth. The department shall prepare communities for future growth and development through development, expansion, and modernization of infrastructure.

c. The department shall 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. The department shall, to the fullest extent possible, develop cooperative efforts for advertising with contributions from other sources.

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

e. The department shall not charge a nonprofit, public entity a fee for placement of informational materials in a welcome center.

4. For allocating moneys for the world food prize:

.....	\$	285,000
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Sec. 3. VISION IOWA PROGRAM — FTE AUTHORIZATION. For purposes of administrative duties associated with the vision Iowa program, the department of economic development is authorized an additional 2.25 full-time equivalent positions above those otherwise authorized in this Act.

Sec. 4. RURAL COMMUNITY 2000 PROGRAM. There is appropriated from loan repayments on loans under the former rural community 2000 program, sections 15.281 through 15.288, Code 2001, to the department of economic development for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For providing financial assistance to Iowa’s councils of governments that provide technical and planning assistance to local governments:

.....	\$	150,000
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2. For the rural development program for the purposes of the program including the rural enterprise fund and collaborative skills development training:

.....	\$	120,000
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Sec. 5. INSURANCE ECONOMIC DEVELOPMENT. There is appropriated from moneys collected by the division of insurance in excess of the anticipated gross revenues under section 505.7, subsection 3, to the department of economic development for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, for insurance economic development and international insurance economic development:

.....	\$	100,000
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* Item veto; see message at end of the Act

Sec. 6. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding section 15E.120, subsection 5, there is appropriated from the Iowa community development loan fund all the moneys available during the fiscal year beginning July 1, 2005, and ending June 30, 2006, to the department of economic development for the community development program to be used by the department for the purposes of the program.

Sec. 7. WORKFORCE DEVELOPMENT FUND. There is appropriated from the workforce development fund account created in section 15.342A, to the workforce development fund created in section 15.343, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, for the purposes of the workforce development fund, and for not more than the following full-time equivalent positions:

.....	\$	4,000,000
.....	FTEs	4.00

Sec. 8. WORKFORCE DEVELOPMENT ADMINISTRATION. From funds appropriated or transferred to or receipts credited to the workforce development fund created in section 15.343, up to \$400,000 for the fiscal year beginning July 1, 2005, and ending June 30, 2006, may be used for the administration of workforce development activities including salaries, support, maintenance, and miscellaneous purposes and for not more than 4.00 full-time equivalent positions.

Sec. 9. JOB TRAINING FUND. Notwithstanding section 15.251, all remaining moneys in the job training fund on July 1, 2005, and any moneys appropriated or credited to the fund during the fiscal year beginning July 1, 2005, shall be transferred to the workforce development fund established pursuant to section 15.343.

Sec. 10. IOWA STATE UNIVERSITY.

1. There is appropriated from the general fund of the state to the Iowa state university of science and technology for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for small business development centers, the science and technology research park, the institute for physical research, and for not more than the following full-time equivalent positions:

.....	\$	2,363,557
.....	FTEs	56.63

2. Of the moneys appropriated in subsection 1, Iowa state university shall allocate at least \$550,000 for purposes of funding small business development centers. Iowa state university may allocate moneys appropriated in subsection 1 to the various small business development centers in any manner necessary to achieve the purposes of this subsection.

3. Iowa state university of science and technology shall do all of the following:

a. Direct expenditures for research toward projects that will provide economic stimulus for Iowa.

b. Provide emphasis to providing services to Iowa-based companies.

4. It is the intent of the general assembly that the industrial incentive program focus on Iowa industrial sectors and seek contributions and in-kind donations from businesses, industrial foundations, and trade associations and that moneys for the institute for physical research and technology industrial incentive program shall only be allocated for projects which are matched by private sector moneys for directed contract research or for nondirected research. The match required of small businesses as defined in section 15.102, subsection 4, for directed contract research or for nondirected research shall be \$1 for each \$3 of state funds. The match required for other businesses for directed contract research or for nondirected research shall be \$1 for each \$1 of state funds. The match required of industrial foundations or trade associations shall be \$1 for each \$1 of state funds.

Iowa state university of science and technology shall report annually to the joint appropriations subcommittee on economic development and the legislative services agency the total

amount of private contributions, the proportion of contributions from small businesses and other businesses, and the proportion for directed contract research and nondirected research of benefit to Iowa businesses and industrial sectors.

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. UNIVERSITY OF IOWA.

1. There is appropriated from the general fund of the state to the state university of Iowa for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the university of Iowa research park and for the advanced drug development program at the Oakdale research park, including salaries, support, maintenance, equipment, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	247,005
.....	FTEs	6.00

2. The university of Iowa shall do all of the following:

a. Direct expenditures for research toward projects that will provide economic stimulus for Iowa.

b. Provide emphasis to providing services to Iowa-based companies.

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.

Sec. 12. UNIVERSITY OF NORTHERN IOWA.

1. There is appropriated from the general fund of the state to the university of northern Iowa for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the metal casting institute, and for the institute of decision making, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	361,291
.....	FTEs	4.75

2. The university of northern Iowa shall do all of the following:

a. Direct expenditures for research toward projects that will provide economic stimulus for Iowa.

b. Provide emphasis to providing services to Iowa-based companies.

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.

Sec. 13. BOARD OF REGENTS REPORT. The state board of regents shall submit a report on the progress of regents institutions in meeting the strategic plan for technology transfer and economic development to the secretary of the senate, the chief clerk of the house of representatives, and the legislative services agency by January 15, 2006.

Sec. 14. DEPARTMENT OF WORKFORCE DEVELOPMENT.

1. There is appropriated from the general fund of the state to the department of workforce development for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, for the division of labor services, the division of workers' compensation, the workforce development state and regional boards, the new employment opportunity fund, immigration services centers, for transfer to the boiler safety fund, for transfer to the elevator safety fund, salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	5,151,919
.....	FTEs	86.45

2. 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.

3. The division of workers' compensation shall continue charging a \$65 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 subsection are appropriated to the department of workforce development to be used for purposes of administering the division of workers' compensation.

4. The department of workforce development shall maintain pilot immigration service centers that offer one-stop services to deal with the multiple issues related to immigration and employment. The pilot centers shall be designed to support workers, businesses, and communities with information, referrals, job placement assistance, translation, language training, resettlement, as well as technical and legal assistance on such issues as forms and documentation. Through the coordination of local, state, and federal service providers, and through the development of partnerships with public, private, and nonprofit entities with established records of international service, these pilot centers shall seek to provide a seamless service delivery system for new Iowans.

5. 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. 15. EMPLOYMENT SECURITY CONTINGENCY FUND. There is appropriated from the special employment security contingency fund to the department of workforce development for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as is necessary, for the purposes designated:

DIVISION OF WORKERS' COMPENSATION

For salaries, support, maintenance, and miscellaneous purposes:

..... \$ 471,000

Any remaining additional penalty and interest revenue may be allocated and used to accomplish the mission of the department.

Sec. 16. PUBLIC EMPLOYMENT RELATIONS BOARD. There is appropriated from the general fund of the state to the public employment relations board for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, for the purposes designated:

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

..... \$ 923,850

..... FTEs 10.00

Sec. 17. ENDOW IOWA GRANTS APPROPRIATIONS.

1. There is appropriated from the general fund of the state to the department of economic development for the fiscal period beginning July 1, 2005, and ending June 30, 2008, the following amounts, or so much thereof as is necessary, to be used for the purpose designated:

For endow Iowa grants to lead philanthropic entities pursuant to section 15E.304:

FY 2005-2006 \$ 50,000

FY 2006-2007 \$ 50,000

FY 2007-2008 \$ 50,000

2. Notwithstanding section 8.33, moneys that remain unexpended at the end of the fiscal year shall not revert to any fund but shall remain available for expenditure for the designated purposes during the succeeding fiscal year.

Sec. 18. NEW SECTION. 15G.110 APPROPRIATION.

For the fiscal period beginning July 1, 2005, and ending June 30, 2015, there is appropriated

to the department of economic development each fiscal year fifty million dollars from the general fund of the state for deposit in the grow Iowa values fund.

Sec. 19. NEW SECTION. 15G.111 APPROPRIATIONS.

1. a. For the fiscal period beginning July 1, 2005, and ending June 30, 2015, there is appropriated each fiscal year from the grow Iowa values fund created in section 15G.108, if enacted,² to the department of economic development thirty-five million dollars for programs administered by the department of economic development.

b. Each year that moneys are appropriated under this subsection, the department shall allocate a percentage of the moneys for each of the following types of activities:

- (1) Business start-ups.
- (2) Business expansion.
- (3) Business modernization.
- (4) Business attraction.
- (5) Business retention.
- (6) Marketing.
- (7) Research and development.

c. The department shall require an applicant for moneys appropriated under this subsection to include in the application a statement regarding the intended return on investment. A recipient of moneys appropriated under this subsection shall annually submit a statement to the department regarding the progress achieved on the intended return on investment stated in the application. The department, in cooperation with the department of revenue, shall develop a method of identifying and tracking each new job created and the leveraging of moneys through financial assistance from moneys appropriated under this subsection. The department of economic development shall identify research and development activities funded through financial assistance from not more than ten percent of the moneys appropriated under this subsection, and, instead of determining return on investment and job creation for the identified funding, determine the potential impact on the state's economy.

d. The department may use moneys appropriated under this subsection to procure technical assistance from either the public or private sector, for information technology purposes, for a statewide labor shed study, and for rail, air, or river port transportation-related purposes. The use of moneys appropriated for rail, air, or river port transportation-related purposes must be directly related to an economic development project and the moneys must be used to leverage other financial assistance moneys.

e. Of the moneys appropriated under this subsection, the department may use up to one and one-half percent for administrative purposes.

f. The Iowa economic development board shall approve or deny applications for financial assistance provided with moneys appropriated under this subsection. In providing such financial assistance, the board shall, whenever possible, coordinate the assistance with other programs administered by the department of economic development, including the community economic betterment program established in section 15.317 and the value-added agricultural products and processes financial assistance program established in section 15E.111.

g. It is the policy of this state to expand and stimulate the state economy by advancing, promoting, and expanding biotechnology industries in this state. To implement this policy, the Iowa economic development board shall consider providing assistance to projects that increase value-added income to individuals or organizations involved in agricultural business or biotechnology projects. Such a project need not create jobs specific to the project site; however, such a project must foster the knowledge and creativity necessary to promote the state's agricultural economy and to increase employment in urban and rural areas as a result.

2. For the fiscal period beginning July 1, 2005, and ending June 30, 2015, there is appropriated each fiscal year from the grow Iowa values fund created in section 15G.108, if enacted,³ to the department of economic development five million dollars for financial assistance to institutions of higher learning under the control of the state board of regents for capacity build-

² See chapter 150, §1 herein

³ See chapter 150, §1 herein

ing infrastructure in areas related to technology commercialization, for marketing and business development efforts in areas related to technology commercialization, entrepreneurship, and business growth, and for infrastructure projects and programs needed to assist in the implementation of activities under chapter 262B, if so amended. In allocating moneys to institutions under the control of the state board of regents, the board shall require the institutions to provide a one-to-one match of additional moneys for the activities funded with moneys appropriated under this subsection. The state board of regents shall annually prepare a report for submission to the governor, the general assembly, and the legislative services agency regarding the activities, projects, and programs funded with moneys appropriated under this subsection.

The state board of regents may allocate any moneys appropriated under this subsection and received from the department for financial assistance to a single biosciences development organization determined by the department to possess expertise in promoting the area of bioscience entrepreneurship. The organization must be composed of representatives of both the public and the private sector and shall be composed of subunits or subcommittees in the areas of existing identified biosciences platforms, education and workforce development, commercialization, communication, policy and governance, and finance. Such financial assistance shall be used for purposes of activities related to biosciences and bioeconomy development under chapter 262B, if so amended, and to accredited private universities in this state.⁴

3. For the fiscal period beginning July 1, 2005, and ending June 30, 2015, there is appropriated each fiscal year from the grow Iowa values fund created in section 15G.108, if enacted,⁵ to the department of economic development one million dollars for purposes of providing financial assistance for projects in targeted state parks, state banner parks, and destination parks. The department of natural resources shall submit a plan to the department of economic development for the expenditure of moneys appropriated under this subsection. The plan shall focus on improving state parks, state banner parks, and destination parks for economic development purposes. Based on the report submitted, the department of economic development shall provide financial assistance to the department of natural resources for support of state parks, state banner parks, and destination parks. For purposes of this subsection, "state banner park" means a park with multiple uses and which focuses on the economic development benefits of a community or area of the state.

4. For the fiscal period beginning July 1, 2005, and ending June 30, 2015, there is appropriated each fiscal year from the grow Iowa values fund created in section 15G.108, if enacted,⁶ to the office of the treasurer of state one million dollars for deposit in the Iowa cultural trust fund created in section 303A.4.

5. For the fiscal period beginning July 1, 2005, and ending June 30, 2015, there is appropriated each fiscal year from the grow Iowa values fund created in section 15G.108, if enacted,⁷ to the department of economic development seven million dollars for deposit into the workforce training and economic development funds of the community colleges created pursuant to section 260C.18A.

6. a. For the fiscal period beginning July 1, 2005, and ending June 30, 2015, there is appropriated each fiscal year from the grow Iowa values fund created in section 15G.108, if enacted,⁸ to the department of economic development one million dollars for providing economic development region financial assistance under section 15E.232, subsections 3, 4, 5, and 6, if enacted,⁹ and under section 15E.233, if enacted.¹⁰

b. Of the moneys appropriated in this subsection, the department shall transfer three hundred fifty thousand dollars each fiscal year for the fiscal period beginning July 1, 2005, and ending June 30, 2015, to Iowa state university of science and technology, for purposes of providing financial assistance to establish small business development centers in areas of the

⁴ See chapter 150, §2 herein

⁵ See chapter 150, §1 herein

⁶ See chapter 150, §1 herein

⁷ See chapter 150, §1 herein

⁸ See chapter 150, §1 herein

⁹ See chapter 150, §10 herein

¹⁰ See chapter 150, §11 herein

state previously served by a small business development center and to maintain existing small business development centers. Financial assistance for a small business development center shall not be awarded unless the city of¹¹ county where the center is located or scheduled to be located demonstrates the ability to obtain local matching moneys on a dollar-for-dollar basis. An award of financial assistance to a small business development center under this paragraph shall not exceed twenty thousand dollars.

c. Of the moneys appropriated under this subsection, the department may use up to fifty thousand dollars each fiscal year during the fiscal period beginning July 1, 2005, and ending June 30, 2015, for purposes of providing training, materials, and assistance to Iowa business resource centers.

7. Notwithstanding section 8.33, moneys that remain unexpended at the end of a fiscal year shall not revert to any fund but shall remain available for expenditure for the designated purposes during the succeeding fiscal year.

Sec. 20. NEW SECTION. 96.51 FIELD OFFICE OPERATING FUND.

A field office operating fund is created in the state treasury under the control of the department of workforce development. The fund is separate and distinct from the unemployment compensation fund. All moneys properly credited to and deposited in the fund are annually appropriated to the department of workforce development to be used for personnel and non-personnel costs of operating field offices.

Sec. 21. 2004 Iowa Acts, chapter 1175, section 50, is amended by adding the following new subsection:

NEW SUBSECTION. 5. For sole source grant costs associated with the hosting of the national special olympics in Iowa by a special olympics nonprofit entity, in addition to the amount appropriated for this purpose in 2004 Iowa Acts, chapter 1175, section 288, subsection 6, paragraph "b":

..... \$ 500,000

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 purpose designated until the close of the fiscal year that begins July 1, 2006.

Sec. 22. VALUE-ADDED AGRICULTURAL PRODUCTS AND PROCESSES FINANCIAL ASSISTANCE FUND MONEYS. The office of renewable fuels and coproducts may apply to the department of economic development for moneys in the value-added agricultural products and processes financial assistance fund for deposit in the renewable fuels and coproducts fund created in section 159A.7.

Sec. 23. 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. The auditor of state is also requested to conduct a performance audit of the authority to determine the effectiveness of the authority and the programs of the authority.

Sec. 24. APPLICATION FOR DEPARTMENT OF ECONOMIC DEVELOPMENT MON- EYS. For the fiscal year beginning July 1, 2005, any entity that was specifically identified in 2001 Iowa Acts, chapter 188, to receive funding from the department of economic develop- ment, excluding any entity identified to receive a direct appropriation beginning July 1, 2005, may apply to the department for assistance through the appropriate program. The department shall provide application criteria necessary to implement this section.

Sec. 25. SHELTER ASSISTANCE FUND. In providing moneys from the shelter assistance fund to homeless shelter programs in the fiscal year beginning July 1, 2005, and ending June 30, 2006, the department of economic development shall explore the potential of allocating

¹¹ The word "or" probably intended

moneys to homeless shelter programs based in part on their ability to move their clients toward self-sufficiency.

Sec. 26. UNEMPLOYMENT COMPENSATION PROGRAM. Notwithstanding section 96.9, subsection 4, paragraph "a", moneys credited to the state by the secretary of the treasury of the United States pursuant to section 903 of the Social Security Act shall be appropriated to the department of workforce development and shall be used by the department for the administration of the unemployment compensation program only. This appropriation shall not apply to any fiscal year beginning after December 31, 2005.

Sec. 27. EFFECTIVE DATE. Section 21 of this Act amending 2004 Iowa Acts, chapter 1175, section 50, being deemed of immediate importance, takes effect upon enactment.

Approved June 9, 2005, with exception noted.

THOMAS J. VILSACK, *Governor*

Dear Mr. Secretary:

I hereby transmit House File 809, an Act relating to and making appropriations to the department of economic development, the office of the treasurer of state, certain board of regents institutions, the department of workforce development, and the public employee relations board, related matters, and providing an effective date.

House File 809 is approved on this date with the following exception, I am unable to approve the item designated as Section 2, Subsection 3, paragraph e in its entirety. It is critically important that the state's interstate welcome centers remain open seven days a week and allowed to serve the nearly 250,000 travelers that visit those centers annually. Currently, over 50 percent of the brochure enrollment revenue comes from non-profit organizations. Without that, the centers would be closed several days a week.

For the above reasons, I respectfully disapprove this item in accordance with Article 3, Section 16 of the Constitution of the State of Iowa. All other items in House File 809 are hereby approved as of this date.

Sincerely,
THOMAS J. VILSACK, *Governor*