



700 Walnut Street, Suite 1600  
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## 2.17.2020 Newsletter

### Future Ready Iowa (SSB 3077, HF 2384)

During the 2020 Condition of the State Governor Reynold's proposed her plan for Future Ready Iowa, which is also a priority for the Iowa Chamber Alliance including impacts to the provision of child care. The legislation was introduced the third week of session and subcommittees have been held in both chambers on the companion bills, SSB 3077 and now HF2384. The House version passed out of the House Commerce Committee on February 12<sup>th</sup>. The bill includes multiple provisions including:

- Apprenticeship Training Program
  - Provides financial assistance to apprenticeship sponsors with 20 or fewer apprentices to maintain programs in high-demand occupations.
  - Reimbursable grants of \$1,000, grants, but should not exceed \$20,000 annually.
- Iowa Child Care Challenge Fund
  - Creates a Iowa Child Care Challenge Program under the department of Workforce Development
  - Creates a matching grant for organizations building or rebuilding a child care facility
  - Organizations seek grant must submit an application, proposal, financial plan, and sustainability plan.
- Workforce Diploma Pilot Program
  - Creates a workforce diploma pilot program that qualifies eligible institutions to assist students who are beyond school age to obtain a high school diploma
- Future Ready Iowa Skilled Workforce Last-Dollar Scholarship
  - Expands the eligible students to include individuals enroll full time in a regular semester or part-time for a summer semester before becoming an adult learner, as well as included adult learners who are at least age 20 at the beginning of the state fiscal year.
- Senior Year Plus Program and Postsecondary Enrollment Options
  - Eliminates previous provisions regarding part-time enrollment to allow either part-time or full-time enrollment in courses

### Invest in Iowa Act (SF 2262, HSB 638)

The Governor introduced her Invest in Iowa Act on February 5<sup>th</sup>. SF2262 passed the Senate Commerce committee on February 13<sup>th</sup> and has been placed on the Senate debate

calendar. The House companion, HSB 638, passed a House subcommittee on February 10<sup>th</sup> and is on the House Commerce committee agenda for February 17<sup>th</sup>. The Invest in Iowa Act has three major components that include:

- Tax
  - Cut individual income tax by 10 percent on average in 2021.
  - Lower the highest tax rate from 8.5 percent to 5.5 percent by 2023.
  - Reduce the number of tax brackets from nine to eight in 2021, and further reduce to four brackets in 2023.
  - Repeal water excise tax.
  - Exempt diapers and feminine hygiene products from sales tax.
  - Increase the Early Childhood Development and Child and Dependent Care tax credits by doubling the maximum net income amount for eligibility from \$45,000 to \$90,000
- Iowa's Water & Land Legacy (IWILL)
  - \$99.5 million will be committed to water quality efforts that include gray infrastructure for water and sewer.
  - \$52.3 million will be allocated to conservation and recreation.
  - Adjustments to Iowa Code Chapter 461 are proposed to acknowledge the nutrient reduction strategy as the foundation of the state's water quality efforts, and ensure periodic reviews of the code are conducted to comply with the most current evidence-based practices and policies.
  - Projects with a "recreational purpose" will be overseen by the Iowa Economic Development Authority.
- Mental Health Funding
  - Reduce property taxes by lowering the per capita county mental health levy from \$47.28 to \$12.50, resulting in lowering the maximum statewide mental health levy by \$77.1 million.

### Universal Licensing (SSB 3122, HSB 647)

The Governor's Universal Licensing legislation was introduced early February to help provided certainty in licensing to grow Iowa's workforce. Both bills have passed out of subcommittees in each chamber but neither have been placed on a Committee agenda. The bill will likely see committee action before Friday's legislative funnel. The bill allows a professional or occupational license, registration or certificate be issued to an individual without examination, individuals may establish residency through multiple means, licensees must be currently licensed in another state and in good standing, and must be licensed in those states for at least one year.