TERRY E. BRANSTAD
GOVERNOR

OFFICE OF THE GOVERNOR

KIM REYNOLDS
LT. GOVERNOR

July 27, 2011

The Honorable Matt Schultz
Secretary of State of Iowa
State Capitol
Des Moines, Iowa 50319

Dear Mr. Secretary:

I hereby transmit Senate File 517, an Act relating to and making appropriations to the Department of Cultural Affairs, the Department of Economic Development, certain Board of Regents Institutions, the Department of Workforce Development, the Iowa Finance Authority, and the Public Employment Relations Board, and addressing related matters including tax credits and including immediate effective dates and retroactive applicability provisions.

Senate File 517 is approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the item designated as Section 15, subsection 3, paragraph c, in its entirety. This item would prohibit Iowa Workforce Development ("IWD") from putting forth an enhanced delivery system that broadens access to Iowans across the state in fiscal year 2012. In order to develop a sustainable delivery system, in light of continually fluctuating federal funding, the department must put forth a system that embraces the use of technology while providing enhanced benefits through maximum efficiencies. At this time, IWD has over one hundred ninety virtual access point workstations in over sixty new locations throughout the state in order to increase access to these critical services. Iowans are already utilizing expanded hours of operations, six days a week. At my direction, IWD will have hundreds of additional virtual access points by the end of fiscal year 2012.

I am unable to approve the item designated as Section 15, subsection 5 in its entirety. This item attempts to define a delivery system in such a way as to prevent growth and progress in serving Iowans in fiscal year 2012. IWD has recognized the necessity of delivering services through multiple streams, including technology. As such, IWD is putting forth a plan that delivers more services to Iowans while streamlining government.

I am unable to approve the item designated as Section 20 in its entirety. This item would prohibit IWD from using the National Career Readiness Certificate program in fiscal year 2012. The National Career Readiness Certificate program is an Iowa-based product which is an assessment and skill development tool that has been embraced by over 400 Iowa employers as an exceptional tool for demonstrating skills for a potential employee. It is recognized nationally by both the Executive Office of the President and the

U. S. Department of Labor as a reliable and portable tool for job seekers to present and certify their skills. I cannot agree with the denial to IWD of the potential use of this program.

I am unable to approve the item designated as Section 26 in its entirety. This item would transfer and appropriate unobligated money in the Save Our Small Business Fund to Iowa Workforce Development to be used for field offices in fiscal year 2012. Funding on-going operational expenses with one-time funds violates sound budgeting principles. This one-time funding source does not create a sustainable operating environment; instead it moves the funding problem into the future.

I am unable to approve the item designated as Section 61, subsection 3, paragraph c, in its entirety. This item would prohibit IWD from putting forth an enhanced delivery system that broadens access to Iowans across the state for fiscal year 2013. In order to develop a sustainable delivery system, in light of continually fluctuating federal funding, the department must put forth a system that embraces the use of technology while providing enhanced benefits through maximum efficiencies. At this time, IWD has over one hundred ninety virtual access point workstations in over sixty new locations throughout the state in order to increase access to these critical services. Iowans are already utilizing expanded hours of operations, six days a week. At my direction, IWD will have hundreds of additional virtual access points by the end of fiscal year 2012.

I am unable to approve the item designated as Section 61, subsection 5 in its entirety. This item attempts to define a delivery system in such a way as to prevent growth and progress in serving Iowans for fiscal year 2013. IWD has recognized the necessity of delivering services through multiple streams, including technology. As such, IWD is putting forth a plan that delivers more services to Iowans while streamlining government.

I am unable to approve the item designated as Section 66 in its entirety. This item would prohibit IWD from using the National Career Readiness Certificate program in fiscal year 2013. The National Career Readiness Certificate program is an Iowa-based product which is an assessment and skill development tool that has been embraced by over 400 Iowa employers as an exceptional tool for demonstrating skills for a potential employee. It is recognized nationally by both the Executive Office of the President and the U. S. Department of Labor as a reliable and portable tool for job seekers to present and certify their skills. I cannot agree with the denial to IWD of the potential use of this program.

For the above reasons, I respectfully disapprove the designated items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in Senate File 517 are hereby approved as of this date.

Sincerely,

Terry E. Branstad

TERRY E. BRANSTAD
Governor