



Representative Andrew Wenthe

# STATEHOUSE NEWS

## “In the District” - Saturday, February 20

**7:30AM, The Rite Spot, Denver,** 107 South State Street

**9:30AM, Luigi’s, Oelwein,** 1020 S. Frederick Avenue

**11:00AM, Maynard Community Library,** 225 Main Street

**12:30PM, Westgate Public Library,** 3 Main Street

**2:30PM, St. John’s Lutheran Church Bennington Neighborhood Association,** 4110 E. Mt. Vernon Road

February 18, 2010

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## Capitol Comments

I would like to begin this week’s legislative report to take a minute to address a concern I hear frequently in the district and that came up in one of my forums last week. This issue is the condition of Highway 18 and Highway 93. As a frequent traveler on these stretches of state highway, I certainly share these concerns and have consistently questioned the Iowa DOT as to when residents of northeast Iowa can expect improvements to these stretches of state highway.

According to the Director of the 1st District of the DOT, if the federal jobs program is passed by Congress in its current form, US 18 from Fredericksburg to West Union will be funded for a Portland Cement Concrete (PCC) overlay in May of this year. PCC overlays have become more common as they are now cost competitive with an asphalt overlay, and the concrete is laid down on top of the existing asphalt to repair the road. Residents of northeast Iowa will be familiar with this type of overlay project as it was done on

the US 218 Waverly Bypass last summer. The DOT is working hard to create a plan for this construction to be constructed under traffic so that there would not have to be a detour in traffic.

Unfortunately, Highway 93 is not currently on the FY 11 construction plan. I have informed the DOT that residents of my district are not satisfied with the current condition of this road. While funds are limited I will continue to press the DOT’s 1st District to get this project on the schedule as soon as possible. I encourage you to alert me if you have any specific or additional concerns about roads or infrastructure in District 18.

This week marks the midpoint of the session and we’re beginning to turn our focus to the state budget. Our goal this year is to balance the state budget without raising taxes while keeping focused on the priorities of Iowans – good jobs, quality education, and affordable health care.

We completed work this week on a massive reorganization of state government that will save taxpayers \$126 million next year. This bill was the largest reorganization of state government in over 25 years. When combined with cost saving measures already taken by Governor Culver and an early retirement package approved earlier this year, the total savings of our reorganization efforts is \$272 million.

Legislative leaders also released budget targets this week that are part of a fiscally responsible plan to help middle-class families, small businesses, and other



Rep. Wenthe gets the chance to visit with Curious George and Iowa Public Television to learn more about their services to Iowa’s children.

Iowans recover from the national recession. The targets are just the first step in our budgeting process, but they will guide the work of our legislative budget subcommittees as we develop the state budget for Fiscal Year 2011. Given the national recession, the plan released this week spends less than we did last year and spends less than the last budget approved in 2006 when Republicans were the majority party in the Iowa House.

Our budget will not balance the state budget by raising taxes on middle class families. Instead, we will balance the budget by continuing to identify and eliminate wasteful government spending, providing more accountability and oversight for tax breaks for corporations that do not create or keep jobs in Iowa, and improve government efficiency by stopping duplication of services. As the Vice Chair of the Appropriations Committee, I will be integrally involved in this process and will ensure these principles are upheld.

The Legislature this week heard from Brigadier General Timothy Orr, Adjutant General of the Iowa National Guard, who delivered the annual Condition of the Guard Address. While only 200 Iowa soldiers and airmen are currently deployed overseas, they are preparing for the largest deployment in Iowa history later this year with about 3,500 soldiers being activated. With that in mind, we are already working on a package of bills to help military families during deployment. We've already approved a bill to provide unemployment benefits for military spouses forced to relocate, which comes from interest on the unemployment fund and not from employer contributions. Other initiatives to help families facing relocation include protecting spouses from withdrawal penalties if they must leave college mid-term and directing state agencies to help them transfer teaching certificates or professional certifications to their new home state.



Andrew met with members of Great Places, Dick Woodard, Robin Bostrom, Tobin Britt, and Mike Lauer.

This week the primary health insurance company in Iowa, Wellmark Blue Cross/Blue Shield, announced an 18% insurance rate hike for customers that impacts over 80,000 Iowans. In these tough economic times, middle class families can't afford these outrageous insurance premium increases. As lawmakers, our job is to demand that insurance rate hikes are justified and that insurance companies aren't taking advantage of small businesses, families or farmers. That's why we are working on a plan to hold insurance companies accountable and provide more transparency for Iowans. At a minimum, Iowans deserve to know exactly what factors led to this 18% rate increase.

I am proud to be a member of the subcommittee for this proposal. Our plan will ensure consumers have access to information on health insurance plans, premium rate increases, and health care cost information. A new consumer guide on health insurance will be created for Iowans with health insurance or looking to purchase insurance. The accountability plan also calls for a detailed report from the Iowa Insurance Commissioner on health spending costs for insurance plans every year. The information must include rate increase data, health care expenditures, ranking factors that raise or lower costs in each insurance plan, and other data.

Finally, I was happy to get the chance to meet with a number of people from home this week. Cindy Ramer of Denver and a member of the Iowa Caregivers Association visited the Capitol this week to discuss the importance of services provided by Iowa's caregivers. Palmer Homecare representatives Brenda Howard, Ruth Schemmel, and Joyce Friederich also stopped by to discuss the Health and Human Services budget.



State Representative Andrew Wenthe visits with Cindy Ramer of Denver, Iowa and the Iowa Caregivers Assoc. when she visited the Capitol.

Members of West Union's Great Places team, including Dick Woodard, Robin Bostrom, Tobin Britt, and Mike Lauer also stopped by to talk about West Union's Green Street project. NICC President Penny Wills took the time to talk with me about funding for community colleges. Janet Buls and members of the Hawkeye Area Agency on Aging were in the Capitol Thursday to discuss the budget and chat about concerns facing elderly Iowans. I also got the chance to meet Rick Wulkow, the Executive Director of the Iowa High School Athletic Association, to discuss concerns brought to my attention by several constituents regarding current IHSAA rules.

I am encouraged by the feedback I received from many of you in response to a mailing I recently sent out. Your input is important and I want to encourage you to contact me with any questions or concerns you might have. I can be contacted at

[Andrew.Wenthe@legis.state.ia.us](mailto:Andrew.Wenthe@legis.state.ia.us) or on my Capitol phone line (515) 281-7478. We are halfway through the session, but there is plenty of debate left, and your questions, concerns, and comments are extremely important to me. I hope to hear from you soon!



Rep. Wenthe visits with member of Palmer Homecare, Brenda Howard, Joyce Friederich, Ruth Schemmel.

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# House Passes Government Reorganization

Another piece of a massive state government reorganization plan was approved by the Iowa House this week bringing the total savings for Iowa taxpayers to \$272 million next year. The bill, Senate File 2088, is the result of work by the Legislative interim committee charged with finding efficiencies in state government that will deliver services to Iowans in a more efficient and cost-effective manner. The bill also incorporates some of the Governor's cost saving and efficiency recommendations. Some of the areas addressed in the bill include:

## E-Government Solutions

- Consolidating information technology (IT) planning and operations.
- Consolidating state e-mail systems.
- Consolidating wireless equipment purchasing and service contracts.
- Negotiating a statewide IT service contract.

- Negotiating a statewide IT and office equipment maintenance contract.

## Internal Changes within State Government

- Increasing the span of control between managers and employees to 15:1 by July 2011.
- Expanding efficiency programs throughout state government to include identifying and quantifying cost-savings.
- Eliminating certain boards and commissions and developing criteria to consider before the Legislature creates any new commission.
- Implementing more web-based training for internal and external customers.

## Efficiency Review

One important piece of this legislation will ensure that state government programs are reviewed regularly by providing that a committee be appointed every two years to take

an in-depth look at state government and bring recommendations to the General Assembly.

## Bill is Only One Area that will Generate Savings

SF 2088 is one piece of the legislation to be passed that will save money for Iowa taxpayers. Other pieces, either passed by the General Assembly or put into effect by the Governor through his Executive Order #20 include: Senate File 2062, the Early Retirement Incentive program, estimated to save \$57.4 million; and the Governor's executive order estimated to save \$88 million. Adding the changes made by Senate File 2088, total savings stand at \$272 million.

Since the House amended the Senate File, the bill must now return to the Senate for approval of the changes before going to the Governor for his signature.

# Iowa Guard Continues to Serve

Currently, with less than 200 Soldiers and Airmen deployed overseas, the Iowa National Guard is at its lowest number of personnel deployed since the beginning of the Iraq war in 2001. However, the Iowa National Guard is preparing for the largest deployment, over 3,000 members, in the 170 year history of the Iowa National Guard.

This week, Adjutant General Timothy Orr presented his first Condition of the Guard Address to the Iowa Legislature. He has served as Adjutant General for the past ten months.

## Preparing for Future Needs

In preparation for future deployments and homeland security needs,

General Orr began development and implementation of the Iowa National Guard Campaign Plan. The goal of this plan is to develop the future Iowa National Guard; a force that is capable of responding to a full spectrum of military and domestic operations.

As part of this plan, the Iowa National Guard will conduct its first State Annual Training Exercise in more than 30 years, involving all Iowa National Guard units. The training exercise will provide logistical and training support to assist the 2<sup>nd</sup> Brigade in their mobilization preparation.

The 2<sup>nd</sup> Brigade Combat Team and the 734<sup>th</sup> Agribusiness Development Team are anticipating deploy-

ments to Afghanistan later this year. The 2<sup>nd</sup> Brigade deployment will be the largest single unit call-up of its type since World War II. Almost every community in Iowa will be affected in some way by this deployment.

The 734<sup>th</sup> Agribusiness Development Team is the first ever joint overseas deployment between the Iowa Army and the Air National Guard. The intent of the team is to promote the revitalization of the agriculture sector within Afghanistan. On the home front, the Iowa National Guard, along with many partners, hosted a Midwest regional emergency response exercise. The multi-state, multi-simulation exercise included over 1,000 personnel

from several states. It was the largest, most complex disaster exercise of its kind ever conducted by the Iowa National Guard.

### **Supporting the Troops and Families**

With the ongoing war and the upcoming deployment, General Orr spoke about taking care of guard members and their families. To address the mental health issues of

soldiers and recent veterans, the Iowa National Guard is implementing a program to develop the strengths of its members in all areas. This includes providing immediate support of Iowa's soldiers on deployment, as well as at home.

The Guard also has added additional Family Assistance Specialists to help individuals with family issues, and help them connect to

military, community, and veterans' resources. Currently there are seven specialists located around Iowa.

General Orr concluded his remarks saying, with the support of all Iowans, the Iowa National Guard is continuing to move from a Strategic Reserve to an Operational Reserve that is ready to take on any military or domestic operation.

## **Budget Targets Set to Balance Budget**

Legislative leaders released budget targets for fiscal year 2011 that maintain essentially a status quo budget. The targets spend less than both the budget proposed by the Governor and the current year's budget.

The budget targets act as a guide for the seven budget subcommittees to establish a fiscally responsible and balanced budget. The goal of this process is to maintain commitments to education, health care, and job creation without raising taxes on middle class families. The targets take into consideration the \$126 mil-

lion saved through the Government Reorganization legislation in Senate File 2088, \$88 million in savings from the Governor's Executive order, and \$57 million in early retirement savings.

The leaders proposed a \$5.298 billion budget for fiscal year 2011, with an ending balance of \$127 million. The budget targets provide each budget subcommittee with the amount of general fund dollars they have to appropriate in their share of the next state budget, which starts on July 1.

Budget subcommittees have been working on setting priorities. The

budget targets will help the subcommittees determine how they will proceed in appropriating the available resources allocated to them.

Building the state budget requires a plan that reflects the amount of available revenues. The fiscal year 2011 budget is based on a flat revenue estimate compared to the previous year.

The Legislature builds the budget based on spending only 99% of available revenues and setting aside 1% for the reserve funds. The state currently has a \$419 million reserve fund balance.

## **Task Force Finds Workers Have Been Misclassified**

The Department of Workforce Development has issued its preliminary report from the Misclassification Task Force. Misclassification of workers as "independent contractors" rather than "employees" is a growing problem in Iowa and across the nation.

In September 2009, Iowa launched a misclassification unit tasked with educating the business community on the issues of employee misclassification and to properly investigate those suspected of improperly classifying their workers. To date, efforts related to misclassification have uncovered:

- 116 employers misclassified almost 900 workers.

- Total unreported wages are over \$15.5 million.
- Total unemployment taxes due are \$556,000.
- Total unemployment penalties and interest due are over \$156,000.

Collaborative efforts between unemployment insurance, contractor registration, and workers' compensation units have aided the investigative efforts of Iowa's misclassification activities.

"Employers that improperly classify their workers as independent contractors create an unfair playing field by lowering their costs of doing business in comparison to employers

who follow the law," stated Iowa Workforce Development Director Elisabeth Buck. "There is also the potential for a greater economic burden to communities as misclassified workers are denied access to workers' compensation coverage and unemployment benefits."

The task force will continue to educate Iowa's business community on the issue. The department hopes to develop a business climate that is competitive and fair for all employers and employees. Information on Iowa's misclassification program is available at: [www.iowaworkforce.org/misclassification](http://www.iowaworkforce.org/misclassification).

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## Assistance in a Disaster Made Easier

When disasters strike, Iowans want to get the damage repaired as quickly as possible and move on with their lives. To help middle and low income Iowans, the Legislature created an assistance program to meet disaster-related expenses or serious needs.

The program, created following the ice storms of 2007, provides funding for Iowans with annual household income under 200% of the federal poverty level based on the size of the household (\$44,100 for a family of four). Eligible expenses

are limited to personal property, home repair, food assistance, and temporary housing assistance. The grant cannot exceed \$5,000.

To get the assistance, you need to show a receipt for the goods or service and you are reimbursed. However, as the floods of 2008 showed, many people cannot afford to make the purchase and then wait to be reimbursed. As a result, a special program for flood and tornado victims was created allowing the individual to receive a voucher for the specific item.

This week, the Iowa House passed House File 2294, which will now expand the voucher system to cover any disaster. This should help Iowans who suffered snow and ice storm-related damage this winter in counties declared disaster areas by Governor Culver. The measure now goes to the Iowa Senate for their approval.

To learn more about the disaster program, go to <http://www.dhs.iowa.gov> and click on "Storm Help."

## Disaster Recovery Continues Throughout Iowa

For Iowans not affected by the floods and tornadoes of 2008, life goes on. However, for communities still struggling to recover, life has not returned to normal.

This week, Governor Chet Culver announced that almost \$17.5 million in federal funds have been awarded to ten communities hit by the 2008 floods. This money will be used to improve or replace damaged infrastructure to make the communities safer, including water system

improvements to eliminate the threat of contamination, and sanitary and storm system improvements to protect residences from flooding and sewer back-ups.

The cities receiving these awards are:

- Elkader - \$1,174,800
- Marshalltown - \$2,500,000
- Anamosa - \$3,069,000
- Palo - \$6,645,781
- Brandon - \$574,450

- Fonda - \$150,000
- Spillville - \$325,379
- Centerville - \$605,120
- Elgin - \$876,950
- Parkersburg - \$1,520,371

In addition to the \$17.5 million in federal Community Development Block Grant money, another \$4.7 million in matching or local funds will be used for the projects.

## Bill to Help Cancer Trial Participants Sent to Governor

Health insurance companies will be required to pay for routine care of cancer patients while in clinical trials, under a bill that passed the House and Senate unanimously. When signed by the Governor, House File 2075 will take effect on July 1st.

Health insurers say they already cover these costs; but policies differ, disputes happen, and coverage is still denied. This leaves cancer patients confused and fearful that their insurer will drop them if they join a clinical trial.

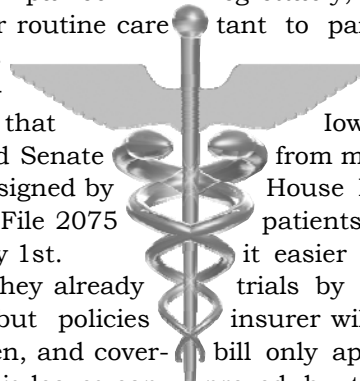
Regrettably, this makes them reluctant to participate in cancer trials and impedes cancer research. This hurts all Iowans who stand to benefit from more cancer research.

House File 2075 will put cancer patients' minds at ease and make it easier to enroll them in clinical trials by assuring them that their insurer will cover routine care. The bill only applies to cancer trials approved by the National Institutes of Health and if the patient is referred by two oncology specialists.

The bill applies to both individual and

group insurance plans, but not necessarily to all Iowans. Many larger employers have self-funded health plans and the federal Employee Retirement Income Security Act (ERISA) exempts self-funded plans from state insurance regulations.

Those Iowans whose health care costs are paid by the federal Medicare or Medicaid programs or by the U. S. Veterans Administration already have similar coverage.



# Criminal Code Reorganization Bills Pass House

Bills proposed by the Legislature's Criminal Code Reorganization Study Committee passed the House this week. The bills help to make the Iowa code easier to navigate and more transparent for both legal professionals and Iowa citizens. The improved code will reduce confusion in the legal system and result in a more consistent and efficient justice system.

The Criminal Code Reorganization Study Committee is charged with considering proposals to Iowa's Code to revise, reorganize, and update Iowa's criminal laws.

## Clarifying & Updating Iowa Code

Several of the proposals dealt with clarifying and updating code language. House File 2374 standardizes the definition of serious injury throughout Iowa Code. Under current law, there are separate definitions of serious injury dealing with dependent adult abuse, operating while intoxicated, and water navigation. This bill makes the definition the same.

House File 2392 clarifies the differ-

ences between abuse of a corpse and sexual abuse of a corpse. It also locates these provisions in the logical chapters of the Iowa Code.

Two bills strike outdated language. House File 2286 strikes language making detention in a brothel illegal. Brothels are, and have been, illegal in Iowa for quite some time, and detention is covered under Iowa's kidnapping and human trafficking laws. House File 2288 strikes language regulating the use of cowl lamps on vehicles. Cowl lamps are antique accessories that have not been used on vehicles in many, many years.

## Improving Flexibility

House File 2372 modifies the elements of assault causing serious injury to create a modified assault charge. Under the new crime, a person that commits an assault without the intent to inflict serious injury, but who causes serious injury, would be guilty of a nonforcible Class D felony. This person would be subject to up to five years in jail and a fine of \$750 to \$7,500, but this sentence could be deferred or suspended.

House File 2377 allows a judge to extend a period of probation for up to a year beyond the maximum statutorily allowed probation period if there is a violation of probation. Under current law, if there is any violation of probation, often the only recourse for a court is to require the individual to complete a prison sentence.

House File 2233 allows for the expunging of a possession of alcohol under the legal age if an individual does not have any other criminal convictions for two years after the violation. The bill mirrors similar expungement procedures for public intoxication.

## Streamlining Current Code

House File 2373 modifies the elements of intimidation with a dangerous weapon. Current law includes both Class C and Class D felonies for intimidation with a dangerous weapon. The bill would clarify the requirement of the mens rea, or guilty mind, component to be guilty of this crime.

# Funding for Natural Resources Trust Fund

On the November 2, 2010, election ballot there will be a question on whether Iowa should constitutionally protect a Natural Resources and Outdoor Recreation

Trust Fund, for the purpose of protecting and enhancing water quality and natural areas in Iowa.

The Legislature is currently working on legislation that would allocate the money in the fund if this amendment is ratified by the voters.

The constitutional amendment

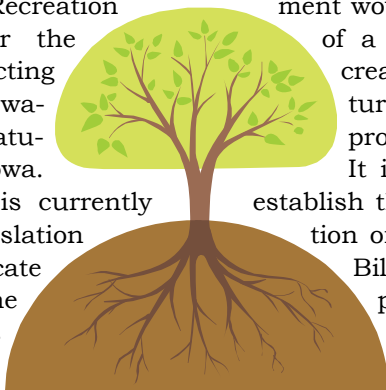
says no revenue will be credited to the fund until the Legislature increases the sales tax sometime in the future. If approved by the public, the amendment would dedicate 3/8<sup>th</sup> of 1 cent of a future state sales tax increase approved by the Legislature. This would generate approximately \$150 million.

It is left to the Legislature to establish the parameters for distribution of the money. House Study Bill 700, which unanimously passed the House Natural Resources Committee, sets the parameters. The legislation would only go into effect if the constitutional amendment on the November 2010 ballot passes.

## Allocations of the Fund

The bill allocates the trust fund money as follows:

- ♦ 23% to the Natural Resources Account for the Department of Natural Resources (DNR) to use for the establishment, restoration, enhancement, maintenance, and improvement of state parks, state forests, state preserves, wildlife areas, wildlife habitats, native prairies, and wetlands.
- ♦ 20% to the Soil Conservation and Water Protection Account for the Department of Agriculture and Land Stewardship (IDALS) to use for soil conservation and watershed protection, and soil conser-



vation or crop management practices used on land producing biomass for biorefineries.

- ♦ 14% to the Watershed Protection Account to be used cooperatively by DNR and IDALS, for water resource projects to preserve watersheds and surface water protection projects and practices.
- ♦ 13% to the Resource Enhancement and Protection (REAP) Fund, which provides moneys for projects that enhance our natural, cultural, and recreational re-

sources.

- ♦ 13% to the Local Conservation Partnership Account for DNR to allocate to local communities (county conservation boards, cities, or nonprofit nongovernmental organizations) for the maintenance and improvements of parks, preserves, wildlife areas, wildlife habitats, native prairies, and wetlands.
- ♦ 10% to the Trails Account for the Department of Transportation (DOT) and DNR to support initiatives related to the design, estab-

lishment, maintenance, improvement, and expansion of land and water trails.

- ♦ 7% to the Lake Restoration Account for DNR to support their public lake restoration initiatives.

The bill says the trust fund moneys are to supplement, not replace, any moneys appropriated by the general assembly to support the constitutional purposes. House Study Bill 700 is now ready to be debated by the full House.

## Bill Guarantees Choice of Auto Glass Repair Shops

The House Commerce Committee passed legislation to guarantee that Iowans have the right to choose the auto glass repair shop they prefer.

House Files 2112 prohibits certain actions by auto insurance companies to steer customers to a specific glass repair shop. Insurers cannot require that the insured use a specific glass supplier or re-

pair shop; or try to coerce the insured to use a specific glass supplier or repair shop.

This does not require an auto insurer to pay more for glass or glass repair services than what is reasonable in the local market area. This is meant to stop special deals with a few large suppliers and glass repair chains in order to maintain a competitive auto glass repair market.

The bill also requires the Iowa Insurance Commissioner to coordinate a study of auto glass insurance repair claim processing procedures. Other participants are the Iowa Insurance Institute, Iowa Retail Federation, insurers, and entities that handle claims for insurers. They must submit a report to the Legislature by January 15, 2011.

## Iowa's Wine and Beer Small Businesses Continue to Grow

Iowa now boasts 71 wineries and 23 breweries, according to the new Iowa Wine & Beer Directory. The guide is available free from any Iowa Welcome Center, at any of the included wineries or breweries, or for order online at [www.iowawineandbeer.com](http://www.iowawineandbeer.com).

Over the last year, a dozen wineries and five new beer producers have begun in Iowa. The wine and beer industry has a great impact on Iowa's economy. According to the latest Iowa Welcome Center survey, travelers interested in wineries spent an average of \$236 per trip.

The guide includes information on Iowa's five wine trails and a new color coded map indicating wineries and breweries. Each listing includes information on amenities such as a tasting room, guided tour, special events, picnic area, and if the winery has wedding and reception facilities.

## Transportation Commission Announces Public Input Dates

Every year, the Transportation Commission holds public input meetings in various cities around Iowa. By doing this, the commissioners are able to hear from local organizations and elected officials about transportation policies and issues concerning any mode of transportation. The commissioners also take the opportunity to travel around those areas and view transportation projects.

This year, the commissioners will travel to four cities beginning in April. The dates and locations are as follows:

- ♦ April 13 – Marshalltown
- ♦ June 8 – Fort Madison
- ♦ August 10 – Storm Lake
- ♦ October 12 – Dubuque

If persons or organizations wish to speak at a public hearing, they can contact the DOT's Office of Program Management, 800 Lincoln Way, Ames, IA 50010, or call 515-239-1148, fax 515-239-1975, or e-mail [donald.tebben@dot.iowa.gov](mailto:donald.tebben@dot.iowa.gov). Please include the date you prefer and general topic you wish to discuss.