



Representative Andrew Wenthe

STATEHOUSE NEWS

Capitol Comments

March 4, 2010

To start, I want to let everyone know the results of our meeting with Wellmark Blue Cross Blue Shield executives last Thursday. I wanted to first thank those of you who took the time to answer my call for input and share your thoughts with me on this issue that is affecting so many hard-working Iowans. It was helpful to have personal insights and stories about how these dramatic rate increases are affecting my constituents as I prepared for the special legislative committee.

I was hopeful that last Thursday's meeting would go a long way in providing the answers to questions that so many of my constituents are asking about the average 18% increase they received to their health insurance premiums. Some of you shared stories with me of receiving increases as high as 60% this year alone. This is unacceptable. Our Commerce Committee asked tough questions of the Wellmark representatives, and the answers we received were in many ways less than satisfactory. Increases like these are simply not sustainable, and insur-

ance companies must be held to a standard of more accountability and transparency. I will continue to support health care reform to the degree possible in Iowa. I will also push our elected federal officials to fix this broken system so that additional burdens like the one placed on 80,000 Iowans by this premium increase do not continue to occur.

This week involved a great deal of committee action as we approached the second funnel date, which is this Friday. I was pleased to run a bill in the Agriculture Committee that would allow trucks to transport loads weighing up to 96,000 lbs on non-interstate highways. In order to haul at this weight, trucks would have to have seven axles and additional braking capacity to assist in weight distribution and stopping time. Studies conducted last year for the Soy Transportation Coalition and the United Soybean Board found that adding extra weight, axles and brakes improves stopping performance and reduces road and bridge stress. Increasing weight limits,

which is already allowed for livestock and some construction materials, would decrease the number of semitrailer loads on the road by roughly 2 percent, or 100,000 trips each year.

County officials and engineers, agribusiness, and rural cooperatives are all in favor of this legislation. It will lessen damage to our roads, make our highways safer for all drivers, and support the agriculture industry in Iowa. I look forward to managing the bill on the House floor.

In other news, a study released this week proves that Iowa is indeed a world leader in renewable energy. The new research says that 20% of all the electricity generated in Iowa comes from wind power. Iowa now generates about 3,670 mega-

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Rep. Andrew Wenthe met with members of Fayette County during Counties day at the Capitol on Thursday, March 4, 2010. Shown are Carol Keune, Fayette County Community Services, Rep. Wenthe, and Vicki Rowland, Fayette County Supervisor.

watts from wind, which is enough to power 75% of all homes in Iowa, and is second in the country in wind capacity behind Texas. The study proves our focus on renewable energy and green jobs over the last four years is having a positive impact on our economy and environment. There are over 8,100 “green” jobs in Iowa now and the number continues to grow. According to the Iowa Wind Energy Association, our state is also first in attracting wind manufacturers with 200 companies already here.

Last month, the American Wind Energy Association increased Iowa’s potential for generating wind energy and the study has increased Iowa’s potential to 370,000 megawatts, about four times greater than previously estimated. This places Iowa 7th in the country in potential. The study means Iowa is only capturing about 1% of the potential wind energy out there so we have much more work to do. Last December, the Iowa Utilities Board approved a plan by MidAmerican Energy to build an additional 1,000 megawatts of wind by 2012. Even though it already produces the most wind energy of any rate regulated utility in the country, the huge expansion plans will create good-paying jobs and put us another step closer to energy independence.

One of the keys to Iowa’s energy independence is helping consumers become more energy efficient. Through the Office of Energy Independence, we crafted a state energy plan with a lofty goal of reducing our energy consumption 25% by 2012. We’re trying a variety of initiatives to meet that goal.

Earlier this week, Iowans responded overwhelmingly to reserve one of 9,000 rebates to purchase highly energy efficient appliances. In just six hours, all the \$2.8 million in appliance rebates, which ranged from \$100 to \$500 dollar, were reserved.

I heard from some of you who had difficulty accessing the website and call centers in order to reserve your rebate. I know this led to much frustration for some of my constituents. For this reason, I contacted OEI to determine why the site and toll-free number crashed and why a high volume of response was not expected. OEI has responded that they are examining the issues surrounding the web site and call center, which had a capacity of handling 11,000 web hits and 800 calls per hour, so that they can best answer the legitimate questions from Iowans who could not get through to reserve a rebate.

While I understand the lingering frustration, I do want to encourage Iowans who weren’t able to reserve a rebate to check with their local utility and retailer about other rebate opportunities. The appliance rebate program will result in more than \$10 million in sales in the state, along with jobs associated with the installation of the appliances, furnaces, heat pumps, and air conditioners. This impact is multiplied because of the large number of manufacturers who produce Energy Star appliances in Iowa.

In another energy efficiency initiative, Iowans can schedule a home energy audit and apply for weatherization assistance that could include insulation, furnace repair/replacement, and water heater replacement. To apply

for weatherization assistance, Iowans should contact their local community action agency by calling “211” or logging on to www.dcaa.iowa.gov. For more information on Iowa’s plan for energy independence or to apply for assistance, log on to www.energy.iowa.gov.

As always I was happy to receive visits from several of my constituents this week. Allison Adams from Iowa Pride Network, a former House Page, stopped in to thank the Legislature for their support for Safe Schools Legislation. Kasey Friedrichsen, a former clerk of mine who now works for Iowa Workforce Development, also stopped in for AFSCME day on the Hill. I met with members of Fayette County during Counties day at the Capitol, Carol Keune, Fayette County Community Services, Rep. Wenthe, and Vicki Rowland, Fayette County Supervisor. And I had tons of fun at UIU’s legislative reception on Wednesday night, and enjoyed seeing students, faculty, and alum there. I have heard from a few groups that are planning to visit next week, and I am looking forward to the opportunity to talk with them about the issues important to the people of northeast Iowa. As always, everyone is welcome to visit me here at the Capitol, to email me at Andrew.Wenthe@legis.state.ia.us, visit my website at www.andrewwenthe.org, check out my Facebook page, or call me on my Capitol landline at 515-281-7478. I look forward to hearing from you soon!

Government Reorganization To Save \$265 Million

The Iowa House of Representatives gave final approval to another piece of the government reorganization effort that will save taxpayers \$265 million next year.

The reorganization savings will help balance the state budget while maintaining key priorities in education and job creation.

Senate File 2088 is a result of the work of the Legislative interim committee charged with finding efficiencies in state government that would 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

- ♦ 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

- ♦ Increasing the span of control between employee and managers to 15:1 by July 2011.
- ♦ Expanding LEAN 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 gov-

ernment programs are reviewed regularly. The bill requires 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 Piece

SF 2088 is one piece of the total package that will save money for Iowa taxpayers. Other pieces include savings made through the Governor's Executive Order #20 and Senate File 2062, the Early Retirement Incentive program. Adding the changes and efficiencies made by SF 2088, total savings to Iowa taxpayers stand at \$265 million.

The bill, which was approved on a 98-1 vote, has already been approved by the Senate and is now headed to the Governor for his signature.

Iowa to Regulate Corporate Money in Politics

After a U.S. Supreme Court ruling that opened the door to unlimited corporate money in elections, Iowa is on the road to becoming one of the first states to regulate corporate political activity.

In *Citizens United v FEC*, the Court ruled that corporations are persons and, as such, have a right to participate financially in the election process.

With the first in the nation caucuses and a reputation for clean elections, the goal of the legislation is to protect Iowans from unregulated campaign spending by big corporations and prevent the wealthy and special interests from deciding elections.

The bill working its way through

the Legislature will require corporations and other similar groups that engage in political activity to file reports with Iowa's ethics and campaign finance board. This is similar to regulations already placed on contributions and activity by individuals and political action committees (PAC).

The bill, Senate File 2354, requires that any entity that makes independent expenditures must file with the board once one or more expenditures exceed \$750. In addition, the entity must file each time they make an expenditure of \$750. The statement must include whether or not they are advocating for or against the candidate or ballot issue.

An entity can not use its treasury

to pay for an independent expenditure without the approval of a majority of the board of directors, executive council, or similar leadership body. Any published material or other media such as television advertising must include a disclaimer with the name and address of the corporation and the name and title of the chief executive officer.

These restrictions do not change current law in terms of businesses or unions forming PACS and soliciting their members for contributions. Contributions to the PAC must be voluntary.

This legislation has already passed the Iowa Senate and the House State Government Committee. It is now headed to the full House for consideration.

Two Surveys Show Iowa's Economy Improving

Two surveys were released this week that showed Iowa's economy is improving. One was from Creighton University and the other from the Iowa Business Council.

For the second month in a row, Creighton's February regional job

index rose above growth neutral. It hit 58.2% in February. It was at 52.1% in January.

Meanwhile, the Iowa Business Council's index was above 50 for the first time since the third quarter of 2008. This shows Iowa's businesses are gaining confidence.

One reason for the Iowa Business Council's positive news was that surveyed companies expected to see higher sales. In addition, several companies expected to hire, while others expected to invest in office equipment and factories in the next six months.

Assisting Service Members While Deployed

In an effort to help service members who are part of the upcoming deployment, the House Veterans Affairs Committee passed a bill to ease their minds while deployed. The Iowa National Guard is preparing for the largest deployment, with over 3,000 members, in the 170 year history of the Iowa National Guard.



Senate File 2297 forbids a

public utility providing gas or electricity from disconnecting services to a residence in which one of the heads of household is a service member deployed. This prohibition is in force for 90 days after the end of the service member's deployment. The public utility must be informed of the deployment.

In addition, the bill requires that a deployed service member will receive a refund of that portion of any

fishing or hunting license fee paid by the service member that covers the service member's period of military service.

The Legislature has taken many steps over the past years to assist veterans, service members, and their families. The bill is now ready for consideration by the Iowa House.

President Declares Parts of Iowa Disaster Areas

In the past few days, President Obama has declared 22 Iowa counties as winter storm disaster areas. Twenty-one of the counties were affected by both the severe winter storms, beginning with the December 23, 2009, storm and the January ice storms. The declarations were requested by Governor Culver.

Because of these declarations, federal assistance will become available to state and local governments and certain non-profit organizations, including rural electric cooperatives and municipal utilities. It will cover emergency work and repair or replacement of damaged facilities and

provide public assistance to rebuild damaged infrastructure including roads, bridges, culverts, and other public facilities, or to cover costs of emergency work during the storms.

Counties included in the winter storm declaration are Adair, Audubon, Calhoun, Carroll, Cass, Cherokee, Clay, Crawford, Emmet, Franklin, Fremont, Guthrie, Harrison, Ida, Monona, Page, Pottawattamie, Sac, Shelby, Sioux, and Woodbury.

The President also declared Adair, Audubon, Calhoun, Carroll, Cass, Crawford, Guthrie, Harrison, Madison, Pottawattamie, Sac, and Shelby counties as disasters due to

the ice storms that began on January 19.

The declarations also provide for reimbursement for 48 hours of continuous operations for snow removal assistance for Cherokee, Clay, Emmet, Fremont, Harrison, Ida, Page, Pottawattamie, Sioux, and Woodbury counties.

The Presidential Disaster Declaration includes funding to conduct hazard mitigation activities for the entire state. With this funding, Iowa will be able to minimize the impact of future natural disasters by taking steps now to strengthen existing infrastructure.

Iowa Looks Toward Low-Carbon Electricity Generation

The House passed legislation intended to encourage utilities to plan for a low-carbon environment. The bill will now go to the Senate for its consideration.

House File 2399 states that it is the intent of the General Assembly that future reliability of electricity generation requires that utilities consider:

- Diversity of types of fuel used to generate power.
- Availability and reliability of various fuel supplies.
- Price volatility of various fuel supplies.
- Alteration of facilities to manage emissions to facilitate transition to a

carbon-constrained environment.

- Analysis of the possible construction of nuclear power facilities that would be beneficial in a carbon-constrained environment.

Even taking into account Iowa's aggressive construction of wind turbines and retrofitting of existing plants to reduce emissions, it is unlikely that Iowa utilities will be able to meet carbon reduction proposals being considered by the federal government without relying on nuclear energy to some extent.

House File 2399 specifically provides for MidAmerican Power to begin an analysis of the possibility

of constructing a nuclear power plant.

MidAmerican will be allowed to recover its reasonable and prudent planning, as approved by the Iowa Utilities Board (IUB), over a 36 month period, with a rate increase not to exceed 0.5% of its 2009 billed revenue.

The IUB will conduct a regular rate making proceeding allowing for public comment on MidAmerican's proposal.

MidAmerican must submit its plan to the IUB before December 31, 2013. It must file such information as the IUB deems necessary, including annual reports identifying and explaining its expenditures.

House Bill Guarantees Choice of Auto Glass Repair Shops

The House passed legislation to guarantee that Iowans have the right to choose the auto glass repair shop they prefer instead of being forced to get repairs at a shop selected by an insurance company. House File 2489 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 repair 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. It will also help maintain a competitive auto glass repair market.

The bill also requires the Iowa Insurance Commissioner to coordi-

nate 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.

House File 2489 will now go to the Senate for its consideration.

Fairness for Iowa's Auto Dealers

Legislation that prohibits motor vehicle franchises to apply unfair franchise laws to Iowa's auto dealers has been approved by the House and the Senate. The bill, Senate File 2234, is now ready for the Governor's signature. The need to strengthen Iowa's motor vehicle franchise laws came about from last summer's closing

of some dealerships by certain automakers and unfair requirements placed on these dealers.

The bill does not allow laws from other jurisdictions, such as Michigan's law governing dealerships, to be able to be used against Iowa's dealerships. Language ensures protection of dealers' confidential customer information by not allow-

ing customer lists to be transferred to the franchiser except in specific circumstances.

Iowa's laws contain provisions or circumstances that allow franchisers to terminate a contract with a dealership, and this bill clarified that those provisions are still valid

Seat Belts Required for All Under 18 Years

Under Senate File 2179, all kids under the age of 18 years would be required to wear a seat belt. Current law states that all kids under the age of 11 years must use a seat belt or an appropriate child safety seat. Advocates of the bill say that it is common, in cases of an accident, for an unbuckled person in the backseat to cause damage to persons in the front



seat, who are buckled in. The bill does have an exception for persons in the back seat if all seat belts are being used by other occupants. Language in the bill states the passengers who are 14 years or older will receive a ticket for failure to use a seat belt, not the driver. Under current law, if the passenger in the front seat is not buckled up, the officer issuing the ticket has the

option of issuing the ticket to the driver or the passenger. Legislators working on the bill felt that if the passenger was old enough to get an instruction permit or license, they were old enough to be knowledgeable of the seat belt law. Senate File 2179 has passed the Senate and is ready to be debated by the full House.

Young People Represented on Boards Moves Forward

A bill that would encourage Iowa boards and commissions to have at least one member between the ages of 18 to 35 has passed the House. The bill is currently on the Senate debate calendar for consideration. The bill is a recommendation from the Generation Iowa Commission that was created to develop ideas and provide for the input of Iowa's

young people. According to their 2010 report, having young people participate on boards and commissions can provide perspective that might retain others; at the same time, the opportunity to serve provides an incentive for each individual to stay in Iowa. Currently, only 114 of 1,533 commission or board seats are held by Iowans aged 35 or younger. Nation-

ally, when someone decides where to live, the "amenities of a location" rated as a "tie breaker" in Next Generation decision making, when economic opportunities were equal. By supporting programs that educate, inspire and develop these young leaders, Iowa can demonstrate its commitment to their advancement and learn about their needs and goals.

Report on Winter Manure Application

Members of the House Agriculture Committee were updated by the Department of Natural Resources regarding emergency manure application this winter. By February 9, 2010, the department received 43 requests from producers for emergency surface application of manure on frozen or snow-covered ground. All 43 requests were granted. The department reported that as inquiries came into their field offices, DNR staff and producers discussed the options for land application, the requirements for fields eligible for emergency surface application, and the risks of surface runoff and water pollution when applying during late winter to frozen or snow-covered

ground. DNR said their staff helped producers sort through and identify the least risky areas to surface apply manure. In 2009, the Legislature passed legislation that prohibited confinements large enough to require a manure management plan (more than 500 animal units) from surface applying manure, if the manure cannot be injected or incorporated, from December 21 to April 1 on snow-covered ground, and February 1 to April 1 if the ground is frozen. Application is allowed on an emergency basis. There are approximately 5,500 confinement feeding operations in the state that are required to have manure management plans.

| Region of State | Number of Requests |
|-----------------|--------------------|
| Northeast | 7 |
| North central | 5 |
| Northwest | 11 |
| Southwest | 8 |
| South central | 9 |
| Southeast | 3 |
| Total | 43 |