



Representative Andrew Wenthe

# END OF SESSION NEWS

March 25, 2010

## Capitol Comments

The legislative session has come to a close, and it was a busy last week. In the end, I am proud to let you know that we balanced the budget without raising taxes, listened to Iowans, and made state government more efficient, accountable, and transparent. Despite these tough economic times, Democrats did not give up on Iowa's children or our state's future. We approved a blueprint that will build a strong, diversified economy that creates good-paying jobs while improving our schools so the next generation can succeed.

While Iowans are still struggling to make ends meet, they expect us to balance the budget, spend their money wisely, and live within our means. The blueprint we approved during the 2010 session does exactly that. First, we balanced the state budget (as required by state law) for Fiscal Year 2011 without raising taxes. The ending balance next year will be over \$180 million and an additional \$200 million will still be in the state's savings account. The plan we approved, which begins on July 1, spends less than the

budget last year and even less than the budget approved four years ago.

We reformed state government and saved taxpayers over \$265 million by eliminating wasteful spending and delivering services to Iowans more efficiently. We made sure taxpayer dollars were spent wisely by ensuring corporate tax credits are creating the jobs they promised and the public knows who received the tax credits.

As we begin to emerge from the national recession, we are building a solid foundation for a stronger Iowa. To help small businesses expand and succeed, we created a Save Our Small Business Fund to provide for low-interest microloans that help business owners having trouble accessing resources stay open or expand. We provided an additional \$100,000 for Iowa's 15 Small Business Development Centers and expanded the statewide MyEntre.net program to help accelerate the growth of firms most likely to create jobs.

In an effort to help

unemployed Iowans find work and businesses find skilled employees, we kept Iowa's 55 Workforce Development Centers open and accessible. We built on last year's initiative to upgrade our infrastructure and used gaming revenues to provide \$14 million for revitalization efforts of Main Street communities and \$45 million for flood recovery, prevention, and infrastructure improvements.

We took action to ensure state credits are creating the jobs promised and shifted dollars away from large Wall Street companies to support struggling Main Street businesses. Other initiatives approved this year include expanding eligibility for the state's loan buy-down program, a statewide website of property and buildings targeted for redevelopment, and a special committee

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Rep. Andrew Wenthe visited with Denver High School students, Luke Milius, John Stabenow, and Brian Dauchenbaugh, who were at the Capitol with Project Lead the Way on Tuesday, March 23, 2010.



Paul Rhoads, Iowa State University's head football coach, visited with Rep. Wenthe during his visit to the Iowa House.

to find ways to reduce regulatory barriers facing small businesses.

As Iowa's economy begins to recover, we also worked to make sure our state has a highly skilled workforce that will attract more businesses. Despite the tight budget, legislators ensured four year olds have access to preschool, good teachers stay in the classroom, and every student graduates with the skills necessary to land a good-paying job in today's global economy. Our K-12 schools will benefit from an additional \$147 million in state

aid next year compared to this year and our community colleges will receive an extra \$10 million next year.

I was happy to receive a number of visitors this last week. Project Lead the Way was in the Capitol, and Oelwein High School students Stephanie Perry, Cain Cushion, and Cody Micheal, along with Denver High School students Luke Milius, John Stabenow, and Brian Dauchenbaugh were in attendance. A group of Tripoli students from a government class also got the chance to tour the Capitol and some other sites in downtown Des Moines. Tim Burrack of the Iowa Corn Growers Association and Tim Recker of Iowa Soybean Growers Association came to discuss issues important to agriculture.

I am happy to be headed home after a challenging but successful session, and look forward to seeing many of you back in the district soon. I will be knocking doors and attending community events to ensure that I am hearing all of your ideas and concerns. You can also continue to send me your issues and concerns, either by email at [Andrew.Wenthe@legis.state.ia.us](mailto:Andrew.Wenthe@legis.state.ia.us), by voting in the polls on my web-



Rep. Wenthe proudly watches as Governor Culver signs legislation that makes long overdue changes to the grain indemnity fund.

site at [www.AndrewWenthe.org](http://www.AndrewWenthe.org), finding me on Facebook, or calling me at (563)427-4831. I look forward to seeing you in District 18 soon!



Rep. Wenthe welcomed Oelwein High School students to the Capitol, Stephanie Perry, Cain Cushion, and Cody Michael.

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## Balanced Budget & Jobs Focus of 2010 Session

When the 2010 session began, legislators promised to keep the focus on the priorities of Iowans - balancing the budget, strengthening Iowa's economy, and creating jobs.

### Balanced Budget

As Iowa begins to emerge from the national recession, legislators approved a balanced state budget without raising taxes.

The fiscal year 2011 budget, which begins on July 1, spends less than the budget last year and even less than the budget approved four years ago.

As required by state law, the blueprint next year spends only 99% of state revenues and puts over \$200 million in the state's savings account.

### Jobs & Economy

To help Iowans through the national recession, the Legislature worked to create good paying jobs and to help Iowans find work.

First, a new \$5.2 million small business loan fund is created to help small businesses and entrepreneurs expand and create jobs.

Another measure will allow more small businesses to qualify for low-interest loans through their bank and create a website clearinghouse for all technical and financial assistance available for businesses in Iowa.

In addition to reviewing state tax credits to ensure they are creating the jobs promised, the Legislature shifted dollars away from large Wall Street companies and moved some of those dollars to support struggling Main Street businesses whose success will benefit more Iowans.

House File 2522 provides an additional \$100,000 for Small Business Development Centers that provide one on one counseling and support to small businesses at 15 locations across Iowa.

The bill also expands the state-wide MyEntre.Net program to help accelerate the growth of firms most likely to create jobs in Iowa while improving access to services and capital for hundreds of other Iowa companies.

Another measure approved continues support for over 55 Work-

force Development Centers across Iowa that help the unemployed find work and provide job training assistance. The centers also provide services to employers looking to hire employees.

Building on the I-Jobs initiative last year, the Legislature used gaming revenues to provide \$14 million for revitalization efforts of Main Street communities and \$45 million for flood recovery, prevention, and infrastructure improvements.

### A Skilled Workforce

As Iowa's economy begins to recover, the Legislature wanted to make sure our state has a highly skilled workforce that will attract more businesses.

Despite the tight budget, legislators ensured four year olds have access to preschool, good teachers stay in the classroom, and every student graduates with the skills necessary to land a good-paying job in today's global economy.

School districts will also benefit from an additional \$147 million in state aid next year compared to what they received this year.

## Government Reform Saves \$265 Million

The General Assembly has approved two major pieces of legislation that will save taxpayer's \$265 million and result in a more efficient delivery of government services to Iowans.

Senate File 2088 contains over 50 different ideas, both large and small to reform state government. It eliminates 14 different boards and commissions, combines state purchasing, consolidates information technology within state government, and cuts down on middle management to keep front line workers in their jobs.

An in depth look at state government was last conducted 25 years ago. To ensure that a review is done on a regular basis, Senate File 2088 requires that a committee be appointed every two years to review state government operations and programs, and bring recommendations to the General Assembly.

### Early Retirement Incentive Program for State Employees

Under the Early Retirement Incentive program, a state employee who is at least 55 years old and files an application to participate in the program by April 15, 2010, is eligible to

participate in the early retirement program. The employee must leave state employment by June 24, 2010, and cannot return to state employment if they leave under this plan.

### Estimated Savings of \$265 million

It is estimated that these two pieces of legislation, along with the Governor's executive order making changes in state operations, will result in a savings to Iowa taxpayers of \$265 million.

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## Jobs & Small Business Assistance

To help Iowans through the national recession, the legislature worked to create good paying jobs and to help Iowans find work.

A new \$5.2 million small business loan fund is created to help small businesses and entrepreneurs expand and create jobs. Another measure will allow more small businesses to qualify for low-interest loans through their bank. In addition, a website clearinghouse is created with information on all technical and financial assistance available for businesses in Iowa.

In addition to reviewing state tax credits to ensure they are creating the jobs promised, the Legislature shifted dollars away from large Wall Street companies and moved some of those dollars to support struggling Main Street businesses whose success will benefit more Iowans.

All businesses will benefit from action taken by the Legislature that will save \$88 million for employers in Unemployment Insurance taxes.

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while improving access to services and capital for hundreds of other Iowa companies.

Another measure approved continues support for over 55 Workforce Development Centers across Iowa that help the unemployed find work and provide job training assistance. The centers also provide services to employers looking to hire employees.

Building on the I-Jobs initiative last year, the Legislature used gaming revenues to provide \$14 million for revitalization efforts of Main Street communities and \$45 million for flood recovery, prevention, and infrastructure improvements.

House File 2076 creates an Iowa Innovation Council (ICC). The council would include members of Iowa's targeted industries of advanced manufacturing, life sciences and biosciences. The IIC will help develop innovation and entrepreneurship in science, manufacturing and technology driven businesses. This nonpartisan and industry lead group would also be responsible for coordinating and executing state applications for federal funds related to science, and technology. Another goal of the council will be to expand our technically ready workforce.

Iowa will now be able to better demonstrate what properties are ready for development, and compete with other Midwest states that

have a similar program. The Department of Economic Development will develop a site certification program to do soil samples, wetlands impact, historic artifacts concerns or other items. This will help identify what action is needed so the sites can be used for developments.

With passage of Senate File 2387, Iowa will no longer be one of only seven states that do not provide a sales tax exemption on blood bags and equipment at a regional blood center. This will help Iowa compete for high tech laboratory jobs. The exemption would be allowed if a regional blood center is located in Iowa before January 1, 2011.

The Legislature also passed two bills that will protect Iowa's auto dealers. The first bill, Senate File 2234, strengthens Iowa's motor vehicle franchise laws by not allowing unfair requirements or laws to be placed upon Iowa's dealers. It is in response to closings and other changes the three big automakers made affecting Iowa auto dealers.

Another bill protects dealers with payment for warranty work done by a dealer. Under the bill, a motor vehicle manufacturer, distributor, or importer is not allowed to reduce the amount of compensation, or to disallow the claim for warranty work, if the dealer submits the paperwork for the warranty work within 60 days from the date that the work was completed.

## Health Insurance Rate Accountability and Transparency

Due to public outcry over the huge health insurance rate increases announced by Wellmark this year, legislation was enacted to provide greater accountability and transparency for consumers.

The intent of Senate File 2201 is to

give Iowans more information about health insurance plans, premium increases, and the ability to comment on rate-making process.

I was hopeful that the special legislative meeting with Wellmark executives 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 my constituents 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 insurance 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 so that burdens like the one placed on 80,000 Iowans by this premium increase do not continue to occur. The Governor has asked that an independent actuary review these increases to determine what areas are causing what levels of increase. I am hopeful that this information will lead us to the areas most in need of our focus

and attention to begin the reform process.

#### **Rate Increases**

The bill requires insurers to notify policyholders when they apply for a rate increase, rather than after it is approved. The notice must also include a description of those factors that make the rate increase necessary. It instructs the Insurance Consumer Advocate to solicit public comments on each proposed rate increase and post them on the Insurance Division's Internet site.

The Insurance Commissioner is to hold a public hearing if the proposed rate increase exceeds the national average annual health spending growth rate.

#### **Cost Information**

A Health Insurance Work Group is

created that will meet every year to consider ways to reduce costs of health insurance and health care services.

A report must be filed each year with the Legislature regarding health insurance plans, including loss ration data, health care expenditures, factors that result in higher costs or lower costs for each health insurance plan, medical cost trends, and any other useful information.

Another bill, Senate File 2356, creates an Iowa Insurance Exchange on the Insurance Division's internet site to post comparative health insurance information, including insurance plan designs, premium rate filings and approvals, health care cost data, and any other useful information.

## **Iowa First to Complete DOD Top 10 for Military Families**

Supporting military families has been a continued priority of the Iowa Legislature. As a result, Iowa will be the first state in the nation to complete the Department of Defense's top quality of life issues for military families regarding education, health care, employment, custody issues, and voting.

Over the past few years, the Iowa Legislature has worked hard at supporting Iowa's veterans, service members and their families. With the upcoming deployment of over 3,000 members, the largest deployment in the 170-year history of the Iowa National Guard,

Iowa is better prepared to support the military families here at home. Below is a list of the top ten issues identified by the Department of Defense (DOD):

- ♦ Common key benefits that support Guard and Reserve members and their families.
- ♦ Ensure deployment separation does not determine child custody or visitation decisions.
- ♦ Increase access to quality, affordable childcare for military families.
- ♦ Minimize school disruption for military children during transition and deployment.
- ♦ Enhance opportunities for port-

able careers for military spouses.

- ♦ Expand unemployment compensation for trailing military spouses.
- ♦ Promote enforcement of the DOD predatory lending regulation.
- ♦ Improve absentee voting for military members and their families.
- ♦ Comport state laws with DOD rules on disposition.
- ♦ Satisfy foreign language requirements.

For more information on the Department of Defense's official web site for families, USA4Military Families, visit <http://www.usa4militaryfamilies.dod.mil/>.

## **Expanding Access to Health Care**

Building on an initiative to expand access to affordable health care, legislators outlined a plan to help Iowans get primary care closer to home.

Senate File 2356 creates a new Regional Provider Network under the IowaCare Program. This will

allow low to middle income Iowan adults to obtain primary care through the regional provider network, which already provides health services to rural communities across Iowa. In addition, IowaCare members will be able to access emergency care at all hospi-

tals in Iowa.

The current IowaCare Program is a limited benefit program for individuals who cannot afford health insurance but who do not qualify for Medicaid. Residents of Polk County may only access care at

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Broadlawns Medical Center. All other Iowans can only obtain care at the University of Iowa Hospitals and Clinics in Iowa City. The bill intends to fix a longstanding criticism of the IowaCare Program and assist local providers by reducing the amount of uncompensated care.

### **Iowa Information Exchange**

SF 2356 also creates the Iowa Insurance Information Exchange (Exchange) in the Insurance Division of the Department of Commerce, under the authority of the Insurance Commissioner. The purpose of the Exchange is to provide an information center

where all Iowans can obtain information about health care coverage that is available in Iowa including availability of care delivered by safety-net providers and comparisons of benefits, premiums, and out-of-pocket costs. The bill now goes to the Governor for his signature.

## **Texting Ban for All Drivers**

With bipartisan support, the Legislature voted to ban texting for all drivers. In addition, drivers under 18 years are prohibited from using any electronic communication device or electronic entertainment device, such as talking on cell phones. The youngest and newest drivers have the more severe prohibition so that they can learn to drive with the least distractions. The electronic entertainment devices can be used if they are operated through permanently installed

equipment in the vehicle, such as GPS devices. Adult drivers are not allowed to read, write, or send text messages but they can talk on cell phones. A member of a public safety agency, a health care professional in the course of an emergency, and a person receiving safety-related information such as an amber alerts are exempt. Navigations systems are also exempt. The \$30 tickets for violating this law will begin to be issued on July 1, 2011. Until then, law enforce-

ment will only issue warnings. The ban on texting is a secondary enforcement, meaning that law enforcement cannot pull over a driver just for that violation. The driver needs to be violating another law, such as not wearing a seat belt or swerving on the road. Local governments are not allowed to pass laws, or to continue to enforce laws, pertaining to electronic communication devices or electronic entertainment devices. The law, House File 2456, goes into effect July 1, 2010.

## **New Law Brings Accountability to Tax Credit Spending**

Laws passed this legislative session will bring accountability, transparency, and common sense to tax credit spending. Senate File 2380 has been sent to the Governor for his signature. The bill suspends the Film Tax Credit for three years, repeals three little used credits, makes adjustments in five other credits, and cuts the maximum amount in new credits that may be awarded by state agencies from \$185 million to \$120 million per year. In addition, the bill cuts the maximum credits that may be allowed under a long-term venture capital program from \$100 million to \$60 million. The total cost of tax credits has

ballooned from about \$213 million in Fiscal Year 2007 to an estimated \$525 million in Fiscal Year 2011. The bill will save about \$5 million in the first year and, \$25 million the second year with savings growing in future years as these changes begin to reduce the total amount of credits redeemed each year. As important, the bill establishes a schedule to review regularly tax credits every five years to ensure that each accomplishes the purposes for which it was enacted and that the costs are justified by the benefits received. This will be done by a joint House and Senate Tax Expenditure Com-

mittee, which will annually provide the legislature with detailed reports regarding those credits scheduled for review that year. The committee will address equity, simplicity, competitiveness, public purpose, and adequacy of these tax benefits. It will also establish a system for making information available to the public regarding the amount and effectiveness of tax expenditures. The committee will consult with state agencies and independent experts in tax policy, fiscal policy, and public finance such as tax attorneys, certified public accountants, and faculty members at institutions of higher learning.

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## Protecting Iowans from Abuse

In an effort to protect women and men who are victims of domestic violence, the Legislature has adopted language that mirrors federal law. It will prevent persons who are the subject of a protective order or convicted of domestic abuse from owning a gun. Under the bill, Senate File 2357, a person would be required to relinquish his or her guns under one of two circumstances: being the subject of a permanent protective order or after being convicted of domestic abuse.

If a law enforcement officer is the subject of a permanent protective order, he or she must relinquish their personal guns, but can still use a gun to perform their job.

If the conviction of domestic abuse involves the use or attempted use of physical force or threatened use of a deadly weapon, they will not be able to obtain or own guns.

### Protecting Older Iowans

With the goal of better protecting Older Iowans, the Legislature has established the Office of Long-

Term Care Resident's Advocate. The law takes effect July 1, 2010. Senate File 2263 was signed into law by the Governor on March 19, 2010. The state long-term care resident advocate, along with the local long-term care resident advocates, will investigate and help resolve complaints regarding administrative actions and the health, safety, welfare, and rights of residents. The office oversees residents and tenants of long-term care facilities, assisted living programs, and elder group homes.

If an advocate suspects abuse, neglect, or exploitation of a resident or tenant, the advocate is required to contact the proper state agency, including the local authorities, to investigate the matter.

In addition, the office will make recommendations to the Governor and Legislature for improving the health, safety, welfare, and rights of residents and tenants of long-term care facilities, assisted living programs, and elder group homes. The office will be overseen by the Iowa Department on Aging.

### Censoring Obscene Materials

We also will continue to help Iowa's children by stopping the cycle of abuse. The Legislature approved a bill to expand the definition of child abuse.

Senate File 393 bans the practice of knowingly showing, or allowing access to, obscene materials to a child. This action is added to the definition of child abuse and a person found guilty of this will be subject to the placement on the child abuse registry.

In addition, the bill includes says this type of abuse may trigger a Child In Need of Assistance (CINA) adjudication. This will assist in addressing issues imminently likely to cause harm to the child because a parent, guardian, or custodian, or person responsible for the care of the child acted improperly. A child who is adjudicated a CINA is subject to the least disruptive order for the child.

Senate File 393 now goes to the Governor for his consideration.

## Law Regulates Corporate Money in Politics

In January, the U.S. Supreme Court opened the door to unlimited corporate money in elections. In response, the Iowa Legislature has passed a law to regulate corporate political activity so the public will be aware of who is spending how much to influence voting.

The Supreme Court ruled in *United v FEC* that corporations are persons and, as such, have a right to participate financially in the election process. With 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, which now heads to Governor Culver for his signature, will require corporations, unions, 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 a 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 leader-

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ship 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.

## “Ed Thomas” Law Protects All Iowans

A new law has been signed by Governor Culver to ensure enforcement officers are notified when individuals hospitalized for a serious mental impairment are released from care if there is an arrest warrant or pending charges against the individual.

Senate File 2352 streamlines the process for notifying law enforcement. It also addresses gaps that became apparent in the system to assure notification takes place.

The bill was prompted by the shooting death of Ed Thomas, the

football coach for Aplington-Parkersburg, by Mark Becker. Becker was released from a Waterloo hospital with charges pending, but law enforcement was not notified. Becker drove from the hospital to Parkersburg and later fatally shot Thomas.

The bill says a law enforcement officer can request that any court order include a requirement that the law enforcement agency is notified when an individual hospitalized for a serious mental injury is discharged from the hospital. This

would occur when there is an arrest warrant or pending charges for that individual.

In addition, the bill provides an administrative process so law enforcement is notified even if a court order has not yet been completed.

The Department of Public Safety will develop a form to be used by law enforcement to provide contact information to hospitals. Hospitals will be required to notify law enforcement when the form is used.

## Education Tops 2010 Session Priorities

Despite declining revenues and a slow recovery from the national recession, legislators listened to Iowans and made education a priority in this difficult budget year. Iowa K-12 schools will receive an additional \$147 million next year over this year and legislators worked to keep good teachers in the classroom.

Another bill, Senate File 2376, provides \$844 million for the Department of the Blind, the College Student Aid Commission, the Department of Education, Community Colleges and the Regents institutions.

Some of the priorities funded in this budget include:

- Maintaining the Iowa Core Curriculum initiative to better prepare Iowa's children for the 21st century workplace.
- Making preschool available for Iowa's youngest learners.

- Increasing the funding to our community colleges so they can offer more training programs for those individuals who have become unemployed.

- Helping Iowa students gain access to higher education through grants.

- Supporting reading and learning through funding to local libraries to keep books and other materials in the community.

### Protecting Taxpayers

Legislation was passed during the 2010 session, and signed into law, that is designed to protect taxpayers while acknowledging the school district's need to raise funds to operate and provide a quality education to their students. House File 2030 requires schools districts to spend their cash reserve funds before asking to increase property taxes.

School districts that would like to levy additional tax dollars, known as modified allowable growth, may be directed by the School Budget Review Committee (SCRB) to first use their unexpended fund balances if the SCRB determines that the district's fund balances are excessive. This will be determined on a case-by-case.

### Recruiting Minority Teachers

Recognizing the importance of racial and ethnic minority classroom teachers, the General Assembly approved House File 2432. The bill requires the Department of Education, Area Education Agencies (AEA), public and private colleges, and universities to conduct a study on ways to recruit and keep racial and ethnic minority teachers. The report is due in January.

The study is to look at the following areas:

1. Strategies to encourage racial and ethnic minority high school students to enter the teaching profession.
2. How to recruit racial and ethnic minority students interested in teaching degrees into attending an Iowa college or university.
3. Strategies to recruit racial and ethnic minority teachers to continue their careers as school administrators in Iowa.

## Legislature Stresses Flood Prevention and Recovery

With rivers rising this spring and memories of the floods of 2008 still fresh in the minds of Iowans, the Legislature this year developed programs to prevent future flood damage. No one can stop all flooding, but Iowa communities can develop ways to mitigate the damage from floods.

### Smart Growth Planning

One tool will be a set of ten smart growth planning principles that state and local governments can use in preparing both for economic growth and to mitigate damage from future floods. These principles, outlined in Senate File 2389, are guides and are not mandates. Communities that use smart growth principles in their comprehensive plans are eligible to apply for a grant to help with flood prevention. The bill also provides \$30 million for these grants.

In addition, a task force is created to consult with experts, local governments, and others; solicit information from the public; evaluate state policies, programs, and laws; develop statewide goals; and develop incentives to conduct com-

prehensive planning.

### Flood Plain Management

A watershed demonstration pilot project for urban and rural areas is created in House File 2459. The project is to maximize water-holding capacity, minimize severe erosion during floods, manage water runoff in uplands under saturated soil moisture conditions, and reduce and mitigate structural and nonstructural flood damage.

Iowa State University extension service, the department of natural resources and state agencies are instructed in House File 2531 to work with experts to educate Iowans about flood plains, flood risks, and basic flood plain management principles.

### Watershed Management

Realizing that flood prevention and mitigation is a regional issue; House File 2459 authorizes the creation of watershed management authorities between political subdivisions - cities, counties, and soil and water conservation districts. Authorities develop ways to reduce flood risk and improve water quality; and can monitor federal flood

risk planning and activities.

### Case Management

During the recovery efforts following the floods and storms of 2008, a case management system was implemented to help individual disaster victims determine what assistance was available to them and to help them apply for and receive that assistance. It is considered one of the successful efforts implemented in the wake of the 2008 disasters and has become a national model. House File 2422 will make the system permanent so it is available if needed in the future. In addition, a task force is created to determine how a case management system can be established for businesses.

### Flood Recovery

As communities continue to rebuild from the floods, the Legislature is again providing funds, in Senate File 2389, to help communities become stronger and better than before. More than \$30 million will be available starting on July 1, the new fiscal year, to help specific communities rebuild their infrastructure and important buildings.

## Improving Iowa's Quality of Life

Creating jobs is one of our highest priorities this session. One way to attract businesses to Iowa is to improve our quality of life. Recreation is a large industry in Iowa. Outdoor recreation activities and visits to parks and lakes also generate considerable spending that translates into substantial job and

payroll totals.

### State Parks Improvements

The Legislature has provided \$25 million over the next five years for infrastructure improvements at Iowa's state parks, to get them into pristine condition to celebrate their 100<sup>th</sup> anniversary in the year

2020. In addition, \$250,000 is provided to assist our state parks' friends groups, to aid our volunteers that donate their time to provide services to our state parks.

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### Lakes Restoration

Since 2006, the Legislature has provided funding to enhance Iowa's priority state lake projects that have established watershed improvement initiatives and have community support. This year is no exception. A total of \$10 million is provided for lakes restoration to help provide a sustainable, healthy, and functioning lake system.

### REAP

The Resource Enhancement and Protection (REAP) program will receive \$15 million next year. REAP provides moneys for projects that enhance our natural, cultural, and recreational resources including environmental education, soil and water enhancement, parks, trails, museums, and roadside beautification.

### Public Hunting Study

The Department of Natural Resources is required to complete an interim study on public lands under their control that may be used for public hunting. The department must authorize public hunting on public land the department determines is beneficial. A report must be completed by January 10, 2011.

### Improving our Natural Resources

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.

At this time, no revenue will be deposited into the fund. Whenever the state sales tax is increased in the future, 3/8<sup>th</sup> of 1¢ would go into this fund if the amendment is

ratified by the voters in November. The Legislature adopted Senate File 2310 this year, which establishes the distribution of any future revenue into this fund as follows:

- ♦ 23% for the establishment, restoration, or enhancement of state DNR lands.
- ♦ 20% for Department of Agriculture soil conservation and watershed protection activities.
- ♦ 14% for surface water protection projects and practices to preserve watersheds.
- ♦ 13% to REAP.
- ♦ 13% to local communities for the maintenance and improvements of local public recreational lands.
- ♦ 10% for trails.
- ♦ 7% for lakes restoration

## Iowa Takes the Lead to Plan Future Electricity Generation

Legislation passed to encourage utilities to plan for future electric generation needs in a low-carbon environment. House File 2399 has been sent to the Governor for his signature.

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 allows 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 costs, as approved by the Iowa Utilities Board (IUB). This will be spread 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.