



Representative Andrew Wenthe Statehouse News

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Iowa General Assembly Begins Work

While last week was filled with ceremonial activities, this week we rolled up our sleeves and got to work in the Statehouse. These first few weeks out of the 110-day session are typically devoted to work at the Committee and Subcommittee level. While all of my committees are moving full-steam ahead, I am especially excited about my work as Vice-Chair of the Education Appropriations Subcommittee, which began meeting this week. This important subcommittee, which last year recommended over one billion dollars in spending, is working toward making our recommendations to the full Appropriations Committee. Each week we will hear testimonies from various agencies about their particular budget requests, as well as engage in important discussions about education at all levels.



I am also learning to adjust to the hectic schedule that goes along with serving as a State Representative. The first interesting challenge we face here at the Capitol is that all 100 State Representatives sit on the floor of the House Chamber during the day. Each Representative also has one legislative clerk who sits beside him or her to help

with a variety of tasks throughout the day. When you add dozens of reporters and other House personnel to this mix, it makes for a busy, noisy, exciting work environment!

An effective legislator also has to be skilled at multi-tasking. Along with our various Committee and Subcommittee meetings, legislators juggle answering emails from constituents and colleagues, meeting with advocacy groups visiting the Capitol, and discussing issues with lobbyists. There is also lots of reading to do throughout the day and many newly introduced bills to study. There are many busy and challenging days ahead!

As always, I encourage you to send me your thoughts, questions and ideas. To best serve as your State Representative, I need to hear from you!

Culver Sworn in as Governor



In a special joint session of the Iowa General Assembly, Governor Chet Culver was sworn in as Iowa's 41st Governor on Friday,

January 12 in Des Moines. Inaugural events were held over three days around the state, including Iowa City, Sioux City and Des Moines. Lt. Governor Patty Judge was also sworn in on Friday.

In his Inaugural Address, Governor Culver stressed the importance of working together with

members of the Iowa Legislature, saying "may our inevitable disagreements reflect deep conviction but not contempt, honest difference but not divisiveness. Let us work together in a sincere and inclusive way to create One Iowa."

Governor Culver challenged Iowans to make us the "Silicon Valley of the Midwest" that will create the jobs of the future to keep our children and grandchildren here. He said Iowa must stay on the cutting edge of research and technology for all forms of renewable energy. His goal is to make Iowa the first state in the nation to declare energy independence.

While pursuing more value-added agriculture opportunities like

alternative energy, Governor Culver noted we must protect our environment. He said Iowa needs to find the right balance that will protect the land, lakes, rivers and streams.

Governor Culver also said Iowans have high expectations, including: expanding early childhood education, getting teacher pay to the national average, making college more affordable, insuring every Iowa child, raising the minimum wage, supporting our entrepreneurs and small business owners, balancing the state's check book, and stopping bullying and threats in the workplace or schools.

Report Released on Road Money Needs

A new report shows that all levels of government have unmet road and bridge needs. Deteriorating bridges are one of the biggest problems for counties, cities are falling behind on maintenance, and the state is not able to devote what is needed to the interstates and commercial and industrial network.

The report, which the Legislature requested in 2005, required the Iowa Department of Transportation (DOT) to "review the current revenue levels of the road use tax fund and its sufficiency for the projected construction and maintenance needs of city, county, and state governments in the future." This report is completed and has been filed with the legislature, and is also available on the department's

website at <http://www.dot.state.ia.us/time21/index.htm>.

The road use tax fund (RUTF) is a separate fund from the general fund, and the money is used to fund road projects at the state, county and city levels, and related items (such as public transit and the transportation maps). The largest contributors to the fund are vehicle registration taxes, the state tax on gasoline, and the sales tax on automobiles and automobile parts.

Another important factor in this scenario is the cost of construction. While the report shows that the revenue to the RUTF has leveled out, and even dipped slightly for one year, there's not enough money to offset the increased con-

struction costs. Everyone's seen the fluctuating costs with gasoline, but DOT must purchase large amounts of diesel fuel, which can still cost thirty to forty cents more per gallon. Also, steel, concrete, asphalt, and labor have increased as well. The message from DOT has been that they cannot do as many road projects without more revenue.

The report lists more than ten ideas that could bring more revenue to the RUTF, along with a few pros and cons for each idea. The study is endorsed by DOT, the Iowa County Engineers Association, the Iowa State Association of County Supervisors, the Iowa State Association of Counties, and the Iowa League of Cities.

Hearings Begin on Livestock Confinement Law

This week, the newly formed Air and Water Quality Standing Subcommittee of the House Environmental Protection Committee has begun holding hearings on statewide environmental standards as it relates to livestock confinement feeding operations.

Representatives from the Iowa Department of Natural Resources presented information on the master matrix, which is a tool that county supervisors may require producers submit for the construc-

tion of permitted confinement operations. The matrix, created by the Legislature in 2002, is comprised of 45 different criteria. These requirements are in addition to the minimum standards for construction of permitted confinement operations.

Owners of permitted operations must obtain a 440 minimum overall score of the 880 possible points to pass the matrix system. The minimum score is divided up between three separate subcategory-

ries: air, water, and community. No operation can pass the matrix without obtaining a minimum score in each subcategory.

In addition to the master matrix, the subcommittee will continue to hold weekly meetings regarding separation distances, construction permits, manure management plan requirements, and air quality standards.

IPERS Releases Fiscal Year 2006 Summary

The Iowa Public Employees Retirement System (IPERS) has released its annual summary of the condition of the fund for fiscal year 2006. IPERS covers most public employees in Iowa. Those who are not covered by this retirement system include judges, the Iowa State Patrol, and police and firefighters in towns with a population over 8,000. Most community college and state university employees, and elected officials, have the option of participating in IPERS.

Facts about the fund and the system's membership (taken from the summary) include:

- There are 224,751 non-retired members from across Iowa. These members have all contributed to IPERS during the year through payroll deduction.
- There are 82,204 retired members. IPERS paid over \$924 million in retirement benefits during fiscal year 2006. Most of that amount was returned to the Iowa economy. More than 82 percent of the monthly benefit payments were paid to retirees or their beneficiaries living in Iowa.
- There are 2,363 employers who are part of the IPERS system.

More than half of all IPERS members work in education.

- IPERS' monthly pension has a lifetime guarantee. Nearly 100 IPERS members are 100 years old or more.
- The average IPERS member retired at age 62 with almost 22 years of service to Iowans.
- The average monthly benefit payment for *all* retirees was \$903. The average monthly benefit for someone retiring in fiscal year 2006 was \$1,328.

Contributions

- IPERS benefits are funded entirely by contributions plus investment income. Public employees and their employers contributed over \$547 million during fiscal year 2006.
- In 2006, the Iowa Legislature approved an increase in contribution rates paid by both employees and employers. This is the first increase since 1979. The combined contribution rate of 9.45 percent (currently paid at the rate of 3.7 percent employee and 5.75 percent employer) will begin increasing on July 1, 2007, at the rate of 0.5 per-

cent per year for the next four years.

Investments

- IPERS' investments provide the majority of income needed to fund pensions.
- IPERS was ranked in the top 20 percent of Trust Universe Comparison Service's (TUCS) All Master Trust Universe of 333 funds for its ten-year return.
- IPERS was selected as having the best large private equity portfolio among public retirement systems in the United States by Private Equity Intelligence.
- IPERS kept investment expenses at 0.23% of the portfolio's average quarterly market value, well below industry benchmarks and the 0.40% allowed by state law.

IPERS chief executive officer Donna Mueller states, "I am proud of the role IPERS plays in the lives of Iowans and our contributions to Iowa's economy. IPERS has provided for secure retirements for over 50 years, and now pays almost \$1 billion a year in benefits – most within Iowa."

Grow Iowa Values Fund Assists Businesses

The Department of Economic Development (DED) Board has approved financial and tax incentives that will help pursue 211 jobs and new capital investment of \$235 million from the three projects.

Steel Distributor Developing Cedar County Facility

Norfolk Iron and Metal Company located in Norfolk, Nebraska is considering the construction of a steel distribution and processing operation in the Cedar County community of Durant. The company plans to purchase approximately 40 acres in the Durant Industrial Park, where it will construct a distribution center.

The facility will employ 135 persons within the first three years, at an average wage of \$18.25 per hour and the project has a \$16 million capital investment. The company was approved for tax benefits from the High Quality Jobs Creation (HQJC) program and received an award for \$470,000 from the Economic Development Set-Aside (EDSA) program.

Lincolnway Energy

Lincolnway Energy of Nevada plans to begin construction this spring on a new 100 million gallon per year ethanol plant near the company's existing facility in Story County. Lincolnway's new facility will create 53 jobs paying an average of \$19.39 per hour with a \$214 million investment.

It is estimated that the new facility will provide an additional annual market for nearly 38 million bushels of corn after it opens in the fall of 2008. They were awarded tax benefits from the HQJC program.

Dubuque Corporate Headquarters

The Durrant Group, Inc. is looking at options to relocate and expand its corporate headquarters either in Dubuque, where it is now, or in Minneapolis, Phoenix or Madison, Wisconsin where the company also has offices.

The DED Board awarded \$50,000 from Community Economic Betterment Account



(CEBA) and Enterprise Zone tax benefits to assist the city of Dubuque in recruiting the project to Iowa. The architectural and engineering firm envisions creating nine jobs and retaining 10 at an average hourly wage of \$45.98 per hour over the next three years. Durrant currently employs 300 persons across twelve offices in seven states, including Hawaii.

Since July 2003, the Grow Iowa Values Fund has assisted 404 projects that will create or retain 31,650 jobs. The average wage of those jobs is \$19.09 with a new capital investment planned of more than \$8 billion.

Department of Public Safety Presentation

Gene Meyer, the newly appointed Commissioner of Public Safety, came before the House Public Safety Committee this week to introduce himself and present the committee with some background information on the duties of his department. The Department of Public Safety employs more than 900 individuals, including over 600 sworn peace officers.

Along with Commissioner Meyer, the committee heard from each of his division directors, including the Division of Criminal Investigation, the Division of Narcotics Enforcement, the Iowa State Patrol, and the State Fire Marshall.

The department oversees many public safety issues. The Division of Criminal Investigation (DCI) provides investigative support and expertise to law enforcement agencies across the state. The division is in charge of the sex offender registry; the crime lab, which analyzes DNA, arson and explosives, and controlled substances; enforcement and criminal investigation at all licensed gambling operations in Iowa; and administers the Missing Person Information Clearinghouse, which is connected via computer to the National Center for Missing & Exploited Children.

The Division of Narcotics Enforcement investigates illegal narcotic operations within the state and works with authorities outside Iowa to stop the distribution, manufacturing and abuse of illegal narcotics. The department said Iowa's pseudoephedrine law has decreased meth labs in Iowa by 78%, which has freed up their agents time to go after major drug trafficking.

The Iowa State Patrol currently has 387 state troopers that patrol more than 112,000 miles of state roadways. They enforce all traffic and motor vehicle laws, as well as assist in major disputes or natural

disasters. They are also in charge of Iowa's Amber Alert.

Licensing of manufactured housing manufacturers, distributors, and retailers moved from the Iowa Department of Transportation to the Iowa Department of Public Safety, effective January 1, 2007.

The program is administered by the Building Code Commissioner, which is within the State Fire Marshall's division. This division also contains the Fire Service Training Bureau, conducts fire inspections, and deals with arson and explosive issues.

The department also licenses private investigators, private security and bail enforcement agencies and their employees doing business in Iowa. They also issue certain weapons permits for people who want to carry concealed weapons.