



Representative Andrew Wenthe Statehouse News

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First Vote, First Visitors

It was a busy week in the Iowa State House, featuring a major accomplishment of which I am very proud. The House voted on Tuesday to raise the minimum wage, a long overdue act that will go a long way toward helping thousands of working poor in Iowa. Raising the minimum wage was a pledge I made during my campaign and an honor to do with my first vote as your State Representative. There is more about this legislation below.

One of the things I enjoy most about working in the Capitol is meeting with different advocacy groups and constituents who journey to Des Moines to participate in our democratic process. I had many visitors this week, including Nathan Lein with the Environmental Protection Council; Ollie Pleggenkühle and Roger and Doris Howard with Moral Witness for Children;



Myself, Sharon Huck of Readlyn Telephone Company, Richard McBurney of Butler-Bremer Communications and Sen. Heckroth of Bremer during the Telecommunications Day at the Capitol.



I met with the Cedar Valley United Way President, Sheila Baird of Denver and John Padgett, also of the CV United Way

and Kathy Gilbert of Denver representing the Iowa Association of School Boards. Check out the pictures below to see who else visited me at the Capitol this week! The United Way of Iowa held their legislative day at the Capitol on Wednesday, and I learned about a wonderful program called “2-1-1” that helps thousands of Iowans every year. 2-1-1 is a free health and human service information and referral helpline (just dial 2-1-1). Calls are answered 24 hours a day, 7 days a week, and the system covers all 99 counties in Iowa. 2-1-1 offers six basic types of assistance: Emergency Preparedness/Recovery, Basic Human Needs, Physical and Mental Health Resources, Employment Supports, Support for Older Americans and Persons with Disabilities, and Children, Youth and Families. I encourage all to learn more about 2-1-1 at www.211iowa.org or by calling 2-1-1.



Jake Blitsch of Oelwein visited as part of Veteran’s Day on the Hill



Cindy Ramer of Denver with the IA Caregiver Association, shared her story about the plight of Iowans who do not have access to affordable health care.

Minimum Wage Hike Signed into Law

Governor Culver is expected to sign the first bill produced by the new Democratic majority, a hike in the minimum wage. The bipartisan-supported bill passed the House on Tuesday, the Senate on Wednesday, and is expected to be signed by Governor Culver on Thursday.

The increase will be in two steps, from \$5.15 to \$6.20 on April 1, 2007, and to \$7.25 on January 1, 2008. This is a total increase of \$2.10. The minimum wage has not been increased since September 1, 1997, almost ten years ago.

This is just the first step in the Democrat’s “Plan for Prosperity,” which seeks to balance the interests of workers and businesses. Other goals to reward hard work include: 1) expanding job training opportunities for high-tech workers of the future, 2) allowing small business to pool their workforces so they can obtain cheaper health insurance,

and 3) reducing commercial property taxes.

An analysis of 2005 U.S. Census Bureau data by the Iowa Policy Project, says that a minimum wage increase to \$7.25 will mean:

- 257,000 Iowans – 18% of all Iowa workers – will be helped by raising the minimum wage.
- 128,000 earn less than \$7.25, but an additional 130,000 earn just a few dollars more and would also get an average 60¢ raise as employers adjust their pay structures.
- 75% are adults over age 20.
- 58% are female.
- 42% work full-time and 34% work 20 to 34 hours per week.
- 20% are parents to 94,000 children, who will also benefit.

- 45% work in retail or the leisure and hospitality industry.

House File 1 also increases the 90 day training wage from \$4.25 per hour to \$5.30 on April 1, 2007, and to \$6.35 on January 1, 2008, also an increase of \$2.10.

The District of Columbia and 29 states have higher minimums than the \$5.15 federal minimum, including states surrounding Iowa: Illinois (\$6.50 – to \$8.25 by 2010), Minnesota (\$6.15), Missouri (\$6.50 – automatic inflation adjustment), and Wisconsin (\$6.50).

Some businesses, especially smaller businesses, may have difficulty implementing the increase by this April 1st. Therefore, until July 1, 2007, if an employer fails to comply with these changes, the Division of Labor will seek back wages and interest but no additional penalties.

Interest on Car Title Loans to 21%

The House Commerce Committee passed legislation this week, of which I am a co-sponsor, that limits interest rates on loans secured by a vehicle title to a maximum of 21%. Iowa vehicle title loan companies currently charge 360% interest.

These companies allow a customer to borrow incrementally against the value of a vehicle – \$300 today, another \$200 next month, etc., which is technically an open-end credit arrangement – and therefore exempt from the 21% interest cap.

The current Iowa Consumer Credit Code allows a maximum

21% interest rate on vehicle loans made by a bank, S&L, or credit union and on all consumer loans. A consumer loan is \$25,000 or less primarily for personal or family use.

Open End Credit

The 21% interest limit does not apply to “open end” credit, such as a credit card. Iowa once had an open end credit limit, but federal law pre-empted states from regulating interest on bank credit cards issued from another state.

South Dakota repealed its open end credit interest cap to entice City Bank’s credit card operations to move from New York to Sioux

Falls. Iowa then repealed interest caps on open end credit to keep Norwest Bank (now Wells Fargo) from moving its credit card operations to South Dakota.

In time, the vehicle title loan industry realized it could create a loophole if they structured loans as open end credit. The legislature never intended to allow unlimited interest on a loans secured by a vehicle title.

House File 5 is now on the House Calendar and the full House is likely debate the bill as early as next week.

Sinclair Broadcasting v. Mediacom

Sinclair Broadcasting Group on January 6th, 2007, terminated Mediacom’s rights to broadcast KDSM Ch. 17 in Des Moines and KGAN Ch. 2 in Cedar Rapids. Sinclair currently owns the re-transmission rights to Fox and CBS in those respective markets.

Most recently, the Joint House and Senate Oversight Committee asked the two feuding groups to sit down to discuss what is impeding a deal from being brokered.

Rocco Commisso, Chairman and CEO of Mediacom along with his Divisional Vice-President Joe Pardini sat down with David Smith, President and CEO of Sinclair Broadcasting and Barry Faber, General Counsel, to answer questions posed by the members of the Oversight Committee.

Both sides were given the chance to make opening statements before the questioning began. While the committee readily admitted to not having any jurisdiction in this area, they believed having an

open dialogue is key in getting this dispute settled. With the amount of constituent outcry, the committee felt as though it was their duty to get to the bottom of this problem.

Members of the Oversight Committee openly displayed their displeasure with the disagreement, citing personal stories on how the cable blackout has affected relative’s lives. Both sides were apologetic but no deal has been made.

According to both Mediacom and Sinclair Broadcasting Group websites, numerous offers have been made with no deal being agreed upon. Mediacom is crying foul over what they say are the “egregious” rates being charged by Sinclair and believe they are devoid of market realities.

Mediacom also says Sinclair is refusing to allow Mediacom to negotiate for individual channels, instead forcing Mediacom to bid for all 22 stations at once. Mediacom believes it is being unfairly

targeted by not receiving similar rates as other companies such as: Comcast, Time Warner, and Suddenlink.

Sinclair refutes these arguments by stating, “Mediacom is already charging you to receive the Sinclair stations as part of your monthly cable bill; they are just keeping that portion of your payment as profit rather than paying Sinclair. As a result, Mediacom could simply reduce its profits rather than raising rates.”

Mediacom asked Congress to investigate and hold a hearing on the Federal Communication Commission’s handling of the problem. Mediacom also asked the FCC to return the signal on an interim basis while the dispute is being resolved. The FCC denied this request.

Sinclair Broadcasting Group has asked lawmakers to stay out of the negotiating process. Sinclair claims it is just two private companies negotiating and requires no Congressional action.

Iowa Looks to Continue to Lead on Renewable Fuels

Ethanol is a flourishing industry in Iowa with production and use of the renewable fuel growing daily. During the first nine months of 2006, Iowans chose ethanol-blended fuel approximately 75 percent of the time on average, according to Iowa Department of Revenue sales data.

Iowa’s ethanol plants are capable of producing more than 1.56 billion gallons per year with 25 plants in production. An additional 20 plants are in the planning or construction process and are expected to come on-line by 2009. This will increase Iowa’s produc-

tion capacity to more than 3.5 billion gallons annually.

Iowa is competing with states like New York, Kansas, Wisconsin, and Nebraska that are offering significant incentives to develop their cellulose initiatives. Iowa has an opportunity to be very competitive in this area based on the fact that we have institutions that lead the country in crop research, and we already lead the nation in ethanol and biodiesel production.

Legislators are working on details of a bio-refinery and next generation ethanol technology bill to advance technologies for the conversion of biofuels. It will work



toward the development of efficient and sustainable crop production, and advance a public/private partnership to commercialize alternative fuels to encourage local and small investor participation. The bill would also include research and development of crops.

Iowa’s workforce must not be left behind in the plan. The pro-

posal will call for an investment in education and training of our work-

force to help build, manage and operate the new bioeconomy.

Main Street Program Update

The Department of Economic Development (DED) provided an overview of the Main Street program to two committees this week. The program provides comprehensive technical assistance to communities including organizational development, marketing, business development and design assistance.

There are 40 participating Main Street Communities that in-

clude three regional programs and as of 2006, 25 were nationally accredited. Over the past 12 years seven Iowa communities have won the national Great American Main Street award.

Over the last year, there has been a \$29.5 million private investment into the program representing a ratio of 48.83 private dollars to 1 public dollar. There have

been 118 net business gains, 352 net jobs, and nearly 126,000 volunteer hours through the program in the past year.

The year 2006 marked the 20th anniversary of the program in Iowa. There are application workshops for communities interested.

Regent Presidents Encourage Increased Funding

The Joint Education Appropriations Committee heard presentations from all three Regent University Presidents on Tuesday. Each of the presidents stressed the importance of increased funding to the universities. The funding is to keep Iowans and its public universities competitive in education and to create leadership in our state for the nation's workforce.

There was a cohesive message among the presidents that students are graduating with higher debt, keeping quality faculty is becoming increasingly harder and essential programs are being cut.

Student Debt

Iowa ranks second in the nation for a student graduating with

loan debt. Reasons cited were increased tuition, cost of living and decreased availability of other non-loan funds.

Tuition at the three Regent Universities is not in line with the rate of inflation. It is now the largest portion of funding for the universities, placing a heavy burden on students and their families.

Loss of Faculty

Iowa State University is challenged with competition from other universities luring their faculty away. ISU President Gregory Geoffroy stated that they simply can not compete with the offers faculty are receiving for higher salaries and increased funds in their respective areas of research.

The two other regent presidents commented that they are losing faculty as well. Many faculty members are retiring or taking positions elsewhere in the country.

Program Cuts

All three universities have made cuts to programs that they simply could not keep due to lack of state funds. Universities were forced to prioritize what programs they could afford to fund. This resulted in the loss of entire degree programs offered to students.

The conclusive message was to increase state dollars by \$72.8 million to the regent schools. This will help to ensure overall better university quality and competition.

Veterans Affairs Committee Reviews Resolutions

The House Veterans Affairs Committee invited Mr. Steve Mulcahy, the Chair of the Veterans Affairs Commission, to review the Resolutions proposed by the Commission for the 2007 Legislative Session. The Veterans Affairs



Commission approved this list of resolutions to identify issues that are important to Veterans and the constituent organizations of the Commission.

The House Veterans Affairs Committee plans to consider the resolutions as they proceed with legislation during the 2007 Legislative Session.

An overview of the resolutions as follows:

- Make funding for the Iowa Veterans Home an annual and mandatory budget item.
- Require each county to have a Veterans Affairs Office staffed with qualified individuals.
- Make dollar-for-dollar matching funds available to veterans' service organizations for training, office support, and salary for qualified veterans' service officers.
- Provide Constitutional protection for the Iowa Veterans Trust Fund to protect the funds from being diverted.
- Increase the amount of the Veterans Property Tax exemption and provide full funding for the exemption.
- Extend the dates for the Vietnam veterans' bonus and provide an annual appropriation until all veterans are paid bonuses.
- Exempt active-duty pay from state income taxes.
- Freeze property taxes on the primary resident of disabled veterans at the level established at the time the home was purchased.
- Divert all drivers' license fees for Veteran-related license plates to support veteran needs.
- Extend the Injured Veterans Grant Program beyond the current fiscal year.
- Provide an adequate annual appropriation for the Iowa Department of Veterans Affairs and for the operation of the state Veterans Cemetery.
- Allow veterans organizations to host poker tournaments with the awarding of cash prizes.
- Extend the Military Service Member Home Ownership Assistance Program beyond the current fiscal year.

Sustainable Funding for Natural Resources

An additional \$150 million per year is needed to support Iowa's natural resources. This is what legislators heard this week from members of the Sustainable Natural Resources Funding Advisory Committee. This committee, created by the Legislature last session, met last fall and winter, and agreed to these recommendations.

The committee designated the following identified natural resource categories for sustainable funding:

- **Parks and Trails.** Improve state, county, and city park infrastructure, and outreach to the public; and create a trail system that will serve the recreational diversity of Iowans and attract visitors and tourists.
- **Soil and Water Conservation.** Increase the number of soil conservation practices such as terraces, waterway buffers, and wetlands; provide educational opportunities to advocate sustainable farming practices and conservation tillage; and assist local communities in solving water quality issues

by applying strategies to targeted watersheds, reduce sediment, create partnerships between the state, federal and local programs.

- **Fish, Wildlife, and Natural**



Areas. Protect and improve the status of Iowa's wildlife diversity; provide safe habitat for endangered species in Iowa; improve wildlife viewing opportunities; increase opportunities to enjoy Iowa's outdoors; ensure that all Iowans have access to natural areas; protect, restore, and manage our prairies, forests, savannas, wetlands, and preserves; provide assistance to landowners to establish/manage the prairie and forestry base; and provide adequate monitoring and management of Iowa's natural resources.

Funding source recommendations include:

- Dedicating gaming and gambling revenues from new and expanded casinos and retiring revenue bonds.
- Dedicating revenues from a fractional percentage increase in the state sales tax, similar to the State of Missouri.
- Dedicating a portion of lottery profits to conservation.
- Utilizing bonding to ensure long term funding stability.
- Utilizing tax credits or tax incentives for conservation practices.

Willingness to Pay

The committee used many efforts to gain information about Iowans' willingness to pay. They created a website to provide information and accept public input. A statewide public hearing was held over the Iowa Communications Network last November where 270 people signed in as attending and participating. Finally, a telephone

survey of 800 Iowans was conducted at the end of last November.

Public input from Iowans showed that issues relating to water quality, including agricultural runoff, are among Iowans' top environmental concerns. Iowans share strong beliefs that protecting the environment is a shared responsibility that benefits the economy.

A total of 77% of Iowa residents surveyed support dedicating additional public funds to protect Iowa's land, water, and wildlife. Most are willing to pay \$10 to \$25 in additional taxes each year for that purpose.

The 18-member Sustainable Natural Resources Advisory Committee is a diverse group, made up

of members from such organizations as the Iowa Environmental Council, Pheasants Forever and Ducks Unlimited, to the Iowa Farm Bureau, Sierra Club, and the Iowa Association of County Conservation Boards. These preliminary recommendations were agreed to by all members of the group. They will submit their final report to the Legislature by March 1, 2007.

DNR Reports Deer Population Declined 25%

The Department of Natural Resources reported this week that statewide deer numbers have declined about 25% from the peak of three years ago. The number of deer killed on highways decreased by 5% in 2005 and reports received so far show they are 10% lower.

As of January 23, 2007, there have been 150,505 deer reported on the DNR registration system. Fifty-two percent of the reported kill were does, 39% were antlered bucks, and just over 9% were button bucks (young bucks). These percentages are very similar to last year.

Three techniques are used to monitor deer population trends in Iowa. They are 1) an aerial survey conducted in January-March after the deer seasons are complete, 2) a spotlight survey conducted in April, and 3) a record of the number of deer killed on Iowa's roadways throughout the year.