



Representative Andrew Wenthe

Statehouse News

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Capitol Comments

The Legislature has not allowed last weekend's storm or the current storm to keep us from moving dozens of bills out of House Committees this week. The legislature works on a schedule consisting of several "funnels" that force the legislative process to move forward at a steady pace. Next Friday, March 9th, marks the final day that legislation can be passed out of committee in the chamber from which the bill originated. Also, all bills carrying any significant fiscal impact must be considered by either the Ways & Means or Appropriations Committee, which are both exempt from this funnel date. Given the looming funnel deadline, work on the floor has quieted somewhat and committee work has become top priority.

However, damage from last weekend's storm was certainly on all of our minds throughout the week. Many legislators left for Des Moines Sunday evening still without power in their homes and districts, and some continue to be without power back home. I have visited with many of my district's emergency management officials, law enforcement officers and mayors about what difficulties and challenges our area is facing. I have not been surprised to hear that our communities have banded together to battle the effects of the storm. Hearing the many stories of neighbors helping neighbors is just one more reason for us all to be proud of the character our small cities possess.

But even the tremendous work of our emergency management officials, city leaders, and community volunteers has not left individuals and families totally

without need. For this reason, the Legislature authorized up to \$1 million to help Iowans coping with last weekend's storm and the storm scheduled to hit this weekend. The Iowa Individual Assistance Grant Program was signed by Governor Chet Culver on Wednesday, February 28th.

Senate File 305 was approved as a stop-gap measure to help Iowans crippled by the storm. Iowans with an annual household income less than 130% of the Federal Poverty Guideline could be eligible for assistance. The money is for personal property, home repair, temporary housing assistance, and food related costs. Based on the current guidelines, the maximum per household grant is approximately \$3,110. Eligible citizens must reside in counties that have received the Emergency Declaration from Governor Culver.

Senate File 305 authorizes the Department of Human Services to issue grants to those Iowans who incur expenses associated with the state-declared disaster. To apply for disaster aid, Iowans should contact their county emergency coordinator. A list of county emergency coordinators is available at www.iowahouse.org or Iowans can call 2-1-1 and ask for their county emergency coordinator.

The winter storm also disrupted the state's agriculture sector. The Department of Agriculture is working with the Governor and emergency management officials to assist livestock producers during this crisis.

Livestock producers reported a critical need for generators to power environmental controls and supply water for livestock in the affected

counties. Producers in need of generators should contact the Center for Agriculture Security at 515-281-5798.

Secretary of Agriculture Bill Northey said producers suffering massive livestock mortalities or in an emergency situation should contact their local Emergency Management Agency, their county Sheriff's office, or the agriculture desk at the State Emergency

Operations Center at (515) 323-4267.

Producers should also contact their local Farm Service Administration office to notify the office of storm related damage, losses of livestock and any critical needs as soon as possible on Monday

Secretary Northey also implored livestock producers to prepare for power outages for the coming storm that could last for

several days. He's asking livestock producers to prepare reserves of feed and water for a minimum of three to four days.

In support of this effort, Governor Culver has directed local fire departments to be available to fill livestock water tanks in preparation for the incoming storm. Producers should take water tanks to their local fire departments for filling.



Andrew met with Nancy Beenblossom with Lutheran Services. Nancy brought with her many coworkers from in and around District 18. Andrew enjoyed learning about all of the great services Lutheran Services provides for people in Iowa.

Generation Iowa

I was very proud this week to be the floor manager of a bill in the House Economic Growth Committee that will create a Generation Iowa Commission tasked with developing ideas as to how we can retain and attract young adults to the state of Iowa. A record eight legislators age 30 and under were elected last fall to the Iowa House, and I and three of my colleagues in the "30 and Under Caucus" (Rep. Elesha Gayman (28) of Davenport, Rep. McKinley Bailey (26) of Webster City and Rep. Tyler Olson (30) of Cedar Rapids) drafted this legislation.

We are all aware that Iowa has an aging population, and the state faces a current and future workforce shortage. For this reason, it is critical that we work to attract young people to Iowa and double

our efforts to retain young Iowans who grow up and go to school here.

The legislature is certainly aware of the problem of the out-migration of Iowa's young population. We have begun to address this problem through forgivable loan programs, marketing campaigns, cultural districts, etc. However, we still have much work to do if we are to attract and retain young people and strengthen our state. It makes sense to bring the group we are targeting into the discussion, and that is what the Generation Iowa commission will do.

The fifteen members of the Generation Iowa Commission will represent a diverse array of backgrounds: rural and urban; employed in private, public, and non-profit sectors; born, raised and

educated in and outside Iowa. The commission will also be balanced by gender, ethnicity, and political persuasion in order to better reflect Iowa's emerging diversity. The goals of the commission include: to create a best practices guidelines for businesses looking to hire young adults, to advise and assist the Department of Economic Development to create programs and activities designed to retain and attract young adults to Iowa, and submission of a report to the legislature that outlines the problem and provides solutions.

The Generation Iowa bill passed unanimously out of the Economic Growth Committee and will soon be considered by the full House.

Legislature Begins Fiscal Year 2008 Budget Work

This week, we outlined our budget plan for the 2008 fiscal year, which begins on July 1. Our budget is fiscally responsible, sustainable, and funds the top priorities of Iowans in education, health care, and renewable energy. Our budget also reflects the priorities outlined in our Plan for Prosperity as well as shared priorities with Governor Culver, including:

- \$70 million increase in the Teacher Quality and Student Achievement Program to move teacher salary closer to the national median in teacher pay.

- Additional funding for expanding access to preschool programs.

- Funding our colleges and university to keep tuition increase no more than the rate of inflation.

- Investing more in research and development of alternative energy and attracting alternative energy industries to the state.

- Reducing commercial property taxes on Iowa businesses.

The proposed budget is balanced, it complies with the state's expenditure limitation law, and it fully funds the state's Cash



Reserve Fund. It builds the state reserve funds to \$578 million, which is the highest

level ever. The budget also brings us nearly half way to our \$300 million goal in repaying the Senior Living Trust Fund.

These budget targets are just the next step in the legislative budget process and will provide the frame-work for our budget subcommittees.

The subcommittees will begin drafting specific budget bills that will be forwarded on to the Appropriations Committee and then the full House.

\$80 Million Awarded for Cellulosic Ethanol Plant

Already a world leader in renewable energy, the Broin Company in Emmetsburg was one of just six companies nationwide to receive an \$80 million federal grant to develop the next generation of ethanol technology – a biorefinery producing cellulosic ethanol. This grant will help Iowa stay on the cutting edge of renewable energy technology and create good-paying jobs.

Cellulosic ethanol is an alternative fuel that can be made from a wide variety of plant materials, including agricultural wastes like corn stover, industrial plant waste like saw dust, or energy crops grown specifically for fuel production like switchgrass. Instead of just using corn, the cellulosic ethanol plant in

Emmetsburg will use corn fiber, cobs and stalks.

Though the cellulosic refining process is more complex than the corn-based ethanol process used today, it produces more energy while using less water and energy. If the process can be refined, it has the potential to increase the availability of ethanol, reduce the cost and dramatically reduce our dependence on foreign oil.

When the Broin Facility in Emmetsburg is operational in about three years, it will produce 125 million gallons of ethanol per year, of which 25 percent will be cellulosic ethanol. For feedstock in the production of cellulosic ethanol, the plant expects to use 842 tons per day of corn fiber, cobs, and stalks.

“Today’s announcement means new jobs and greater opportunities for northern Iowa and proves once again that Iowa is poised to lead the world in renewable energy,” Governor Culver said.

According to U.S. Department of Energy biorefineries will play a critical role in helping to bring cellulosic ethanol to market. Cellulosic ethanol will be a key factor in eliminating our nation’s addiction to oil.

In addition to the Broin Facility in Emmetsburg, plants in Kansas, Florida, California, Idaho, and Georgia received grants from the Department of Energy.

Iowa House Votes to Adopt Federal Tax Changes

The House unanimously passed legislation to conform Iowa’s tax laws to recent changes in federal tax laws. Due to a delay at the federal level, businesses, teachers, homeowners, and students

are waiting for state action before they file their 2006 taxes in order to claim deductions renewed by the federal government last December.

Iowa generally conforms to federal definitions of income, deductions, expenses, etc., but not tax credits. Tax credit amounts are not directly convertible to lower revenue state income tax systems.

Some states adopt federal tax changes automatically, but not Iowa, so each year the Legislature must pass an Internal Revenue Code (IRC) update bill.

100% Conformance

House File 319 conforms to all IRC changes. This is important, since failure to do so would complicate the tax system, by requiring different calculations for state and federal tax returns. This last occurred in 2003. Major provisions of this year’s bill include:

Business Costs: Extends the section 179 higher expensing provision for small businesses.

Education Costs: Permanently extends incentives for Section 529 plans – such as the State

Treasurer’s highly successful College Savings Iowa plan. Also, extends college tuition and fee deductions.

Mortgages: Allows deduction of the cost of mortgage insurance.

Teachers: Extends the \$250 teacher deduction for out-of-pocket classroom expenses.

Research Activities: Iowa’s research credit is based on the same activities that are eligible for the federal research credit. The bill adopts changes in federal definitions of research activities.

Retirement: Adopts higher IRA and 401K contribution limits; indexes IRA income eligibility limits; and eliminates income limits

on conversion of assets from deductible IRAs to Roth IRAs.

Sales Tax Deduction: Extends the option of itemizing a deduction of either state income or state sales taxes from federal taxes.

Fiscal Impact

Some items increase and some decrease state revenue, but it’s generally a wash over time. There will be a \$5.3 million loss in fiscal year 2007, easily absorbed by the large 2007 ending balance, a \$1.2 million loss in FY 2008, and a \$1.7 million increase in FY 2009.

House File 319 now goes to the Senate for consideration.

Increased Pay for Jury Duty



The House Judiciary Committee passed House File 598, which increases the jury compensation rate to \$30.00 per day and allows mileage reimbursement for all miles traveled for jury duty. Currently, the compensation rate is \$10.00 per day, and the juror is entitled to

receive travel reimbursement for each mile traveled in excess of 30 miles.

The last time that the compensation rate was increased was in 1974, when it was raised from \$5.00 to the current \$10.00 per day. If a juror serves over seven days, they receive \$50.00 per day in compensation. The money that pays jurors comes from the jury witness revolving fund, which is made up of debt owed to the court that is over two years old.

While it’s true that the changes in the bill will not fully compensate

the person who loses their day’s pay to serve on a jury, it is a significant change to show the importance of the work that jurors do.

There is language in the bill that will allow for the court to seal a completed juror questionnaire. The questionnaire can be sealed by a request from the juror, by one of the parties in the case, or the court may make a motion. This may be necessary to protect the safety or privacy of a juror, or a family member of a juror.

Increased Preschool Access for Four Year Olds

The House Education Committee passed a bill that creates a preschool program for four year old children. The goal is to increase access to these programs to 90% by the end of the four year phase-in.



Currently, Iowa does not have a comprehensive preschool plan, and as a result, there are a number of programs in place to help provide access to preschools in different ways. Families seeking availability of programs are finding it

difficult to access quality programs. Approximately half of families below 185% poverty participate in public preschool programs.

House Study Bill 115 allows school districts to seek approval from the department of education to oversee or provide a preschool program within district boundaries.

The programs must meet specific requirements as set forth by the department, with the idea that the programs will be quality and delivered by a teacher with early childhood education.

There is a need to increase voluntary access to families that

have four year olds that want to attend preschool. Programs need to be quality and serve at-risk populations first.

The Statewide Preschool Program is an attempt to bring together resources and expand on existing services. There is a \$20

million appropriation for the next four years and costs for students attending the preschool will be paid out of the Preschool Allowable Growth.

The bill is now before the House Appropriations Committee for funding.

Card Game Tournaments for Veteran Organizations

The House Veterans Affairs Committee approved a bill that would allow veterans organizations to hold weekly card game tournaments. The bill is seen as way to help veterans organizations raise additional funds for the services they provide for veterans and their families.

House File 300 allows qualified veterans organizations to apply to the Department of Inspections and Appeals for a license to hold card game tournaments. The license would

allow the organization to hold no more than one card game tournament per week. The card games are allowed to include poker, pinochle, pitch, gin rummy, bridge, euchre, hearts, or cribbage.

The veterans organization is required to limit participation to persons 21 years of age or older. The participation fee charged by the organization is not allowed to exceed \$100 and each participant must pay the same fee. The organization can award no more than \$1,000 in cash or merchandise

and no more than \$500 is allowed to be awarded to one person.

At the conclusion of the card game tournament, the organization is required to announce the gross receipts received, the total amount of money withheld for expenses, and the amount withheld for state taxes.

The bill has been referred to the State Government Committee for consideration.

Bill Bans Internet Hunting

The House Natural Resources Committee adopted a bill this week that bans internet hunting. The issue started in the State of Texas, which has already banned it, because a rancher said he was going to start offering an Internet hunting service where visitors to his website could bag a deer, antelope, or wild pigs with their computer mouse. A remote controlled .22 caliber rifle with a webcam mounted on it would be used at his game farm. The internet hunter's trophy animal would then

be mounted and shipped for display.

If House File 484 is adopted, Iowa would join 25 states that have laws banning the practice. It was reported that this practice is not currently being done in Iowa, but that this bill is a pre-emptive move. It will protect the true meaning of hunting.

The bill prohibits the use of a computer or other electronic device, equipment, or software to remotely control the aiming or discharge of a firearm or other

weapon, which would allow a person who is not physically present to kill a wild animal.

First time violators would be guilty of a serious misdemeanor, which is up to one year in jail and a maximum fine of \$1,875. Second and subsequent violations are a class D felony, which is up to five years in jail and a maximum fine of \$7,500. In addition to the criminal penalties, the violator is subject to a maximum \$10,000 civil penalty for each violation.

Specialized Veterans & EMS License Plates

Under current law, fees for a Veteran, National Guard, Pearl Harbor, Purple Heart, Retired U.S. Armed Forces, and the Silver Star



and Bronze Star license plates are deposited into the road use tax fund. Under a proposal in House File 604, fees for these plates

would be deposited into the veterans license fee fund, not the road use tax fund.

Moneys deposited into the road use tax fund are used for road construction projects. Moneys deposited into the veterans license fee fund are appropriated to the veterans affair commission.

Language in the bill also allows for surviving spouses to continue to use or apply for and use the specialized plate. The surviving spouse will need to pay

the annual \$5.00 registration fee in addition to the annual registration fee of the vehicle. If the surviving spouse remarries, they are required to return the special plates to the DOT and the department will issue regular license plates.

EMS Plates

The bill also redirects the issuance fee for Emergency Medical Services plates from the road use tax fund to the emergency medical services fund. This fund is used to assist counties, on a dollar-for-dollar match, on the acquisition

of equipment, and to provide grants to counties for education and training.

The Department of Public Health maintains control of this fund under their emergency medical services division. This license plate is different than the veterans' plates because the EMS plate has only an issuance fee.

This bill is now in the House Veterans Committee.

Manure Management Plan Deadline Extended

Due to the recent storms, this week the Iowa Department of Natural Resources extended the deadline for Manure Management Plans (MMP) to March 16, 2007. The original deadline was for March 1, 2007.

The director of the DNR stated that many livestock producers are having difficulty with updating their plans due to power outages in

many parts of the state. As a result, producers are unable to access electronically stored data needed to complete the updates. The DNR expects approximately 350 manure management plan updates to be filed this year.

A MMP is a tool for producers to use when they plan their nutrient placement to optimize crop production. Filling out an MMP

helps producers identify the amount of manure being produced, the nutrient concentration in the manure, the number of acres that are required for land application and the amount that will be applied to each available acre. Mid-size and large producers are required by state law to fill out and file an MMP with the DNR.