



# Representative Andrew Wenthe Statehouse News

March 8, 2007

## Inside this Issue

- 1** Capitol Comments
- 2** Energy Independence Act
- 2** "Bottle Bill" Passes Committee
- 2** \$1 Million in Disaster Aid for Low-Income Iowans
- 3** Safe Schools Bill Signed by Governor
- 3** Legislature Works on Expanding Mental Health Parity
- 3** Incentives for Iowa Film Projects
- 4** Crime Victim Compensation Expanded
- 4** Enterprise Zones Get a Favorable Report
- 5** Bill Allows DNR to Regulate Deer Contraceptive Drug
- 5** Bill Requires Study on Antenna Structures
- 5** Department of Transportation Budget Bill
- 6** State Anticipates \$4.4 Billion in Federal Funds

For additional information, check our web site at: [www.iowahouse.org](http://www.iowahouse.org) or [www.andrewwenthe.org](http://www.andrewwenthe.org)

Contact Andrew at:  
State Capitol Building  
Des Moines, IA 50319  
515-281-7478

PO Box 123  
Hawkeye, IA 52147  
563-427-4831

## Capitol Comments

This week in the Statehouse we focused almost exclusively on committee work. As I mentioned in last week's newsletter, this Friday marks the last day a bill originating in the House can be moved out of a standing committee (i.e. Agriculture, Natural Resources, etc.) and sent to the House floor for consideration by all 100 members. For instance, any legislator who introduced a bill in the House but did not see action on this bill in its assigned committee will have to wait until next year to have his or her bill considered as stand-alone legislation. The only committees exempt from this rule are Appropriations and Ways & Means.

Due to the funnel deadline, many bills moved out of the committees on which I serve this week. Bills dealing with subjects ranging from our state's ethanol excise tax, harness horseracing purses, powers of the state entomologist, Governor Culver's Power Fund initiative, to tax incentives for film projects in Iowa all became "live rounds" in passing through committee. Of course, this does not mean that all of these bills will eventually win passage or will not be amended in some way. Funnel week simply serves to move the legislative process forward.

I have previously shared with you that I am serving as the Vice-Chair of the Education Appropriations Subcommittee. Our Subcommittee, made up of five Senators and nine Representatives, completed our work this week and passed our Education Appropriations bill to our respective Appropriations Committees. The bill improves access and quality of education in Iowa at all levels. I was proud of the way this Subcommittee worked together in a bipartisan manner, and believe our approach is reflected in the Subcommittee's unanimous vote on the bill. I am excited to continue to work to improve this bill as a member of the full House Appropriations Committee.

On Wednesday night, I was pleased to be the guest of the Oran Mutual Telephone Company and the Hawkeye Telephone Company at the Rural Iowa Independent Telephone Association's annual convention. It was great to meet the board members of these two organizations, and I know the people of Oran and Hawkeye truly benefit from the great local service these folks provide. I would especially like to thank Gene and Jeanne Heineman of Oran and Chuck Gray of Hawkeye for their invitations.



Andrew and representatives of the American Federation of State, County, and Municipal Employees (AFSCME) Ken Dietzenbach and Margyne Poppe.

## Energy Independence Act

The House Commerce Committee passed House File 498, which sets a goal for Iowa to become energy independent by 2025. The bill creates an Iowa Energy Independence Office with an advisory council of persons with expertise in energy related fields to assist the office in carrying out its duties, including the following:

- Advise the Governor and Legislature on changes in programs, policies, laws and regulations to enhance energy independence.
- Develop a comprehensive plan to achieve state independence from foreign energy sources by 2025.
- Coordinate all state funded energy related programs.

- Assist all Iowans to increase energy efficiency and use of alternative and renewable energy.
- Assist in administering the new Iowa Power Fund.
- The Energy Independence Plan must be updated every five years and identify how Iowa could:
  - Encourage private investment in Iowa’s bioeconomy, including bioengineering and biorefining.
  - Balance the interests of crop, and livestock producers with bioproduct manufacturers, consistent with sustainable land use, clean air, and clean water practices.
  - Propose regulatory changes, including utility renewable power

standards, greenhouse gas emission standards, building code and green building design standards.

House File 438 also establishes an Iowa Power Fund administered by the Department of Economic Development in coordination with the director of the Iowa Energy Independence Office.

The Iowa Power Fund will invest in alternative and renewable energy development and production, energy efficiency research and technological innovation, and reducing greenhouse gas emissions.

House File 498 will be referred to the House Economic Growth Committee which will work out Iowa Power Fund managerial details and resource allocations.

## “Bottle Bill” Passes Committee

The House Environmental Protection Committee unanimously passed a bill relating to redemption centers. House File 164 is commonly known as the “bottle bill.”

The bill enables all, approved and unapproved, redemption centers to negotiate the handling fee with individual can and bottle dealers and distributors. Currently, all redemption centers receive a one cent handling fee from the dealers and distributors.

The bill also strengthens the approval requirements for a redemption center. The centers must be safe and accessible to consumers who return empty cans

and bottles. In addition, the redemption center must provide a safe working environment for their employees.

Additionally, the bill establishes a committee made up of representatives from the Department of Natural Resources (DNR) and other stakeholders, including lawmakers, to review the deposit law. They will make recommendations on whether to increase the beverage container redemption rate and the handling fee paid to redemption centers. They will look at the efficiency and costs associated with mandated, statewide, curbside recycling of empty cans and



bottles, and how to provide greater efficiencies in the current beverage container redemption system.

Lastly, the bill requires individual beverage distributors to file an annual report to the DNR concerning the number of containers distributed for sale and the number of containers redeemed during the previous year. DNR will then issue a public report combining all distributors’ information.

House File 164 is now eligible for debate by the entire House.

## \$1 Million in Disaster Aid for Low-Income Iowans

Low-income Iowans are now eligible for state grants of up to \$3,319 to reimburse costs of repairs of storm-damaged property, home

repair, temporary housing, and food. Currently, all 99 Iowa counties have been declared a disaster area, so low-income

Iowans in all counties are eligible for the assistance. Applications are available at local county emergency management offices or county

Department of Human Services offices.

The Legislature authorized up to \$1 million for the individual assistance grants in Senate File 305. Governor Culver signed the bill into law. This program mirrors the federal program in concept.

The grants are available to Iowans whose annual household income is less than 130% of the Federal Poverty Guideline, which is \$13,273 for a single individual and \$26,845 for a family of four.

Applicants must provide receipts for qualifying uninsured

expenses. Here are examples of reimbursable expenses (generators are not covered under the program):

- Up to \$1,000 will be available to reimburse storm-caused expenses for making the dwelling safe, sanitary, and secure.
- Up to \$300 for an electrician to help bring power back to a dwelling.
- Up to \$560 will be available for storm-related damage to appliances or food.

- Up to \$425 for purchase and installation of a water heater.
- Up to \$500 for damage to a vehicle.
- Up to \$50 a day for lodging or rental expenses in case the storm forced residents to leave their homes.

The Iowa Department of Human Services has set up a toll free hotline (866-434-4692) for those with questions.

## Safe Schools Bill Signed by Governor

The Safe Schools Bill, Senate File 61, was signed by Governor Culver last week. This will put Iowa in line with 30 other states that have enacted legislation to combat bullying and harassment in schools.

The bill is designed to provide all students with a safe and civil school environment in which all members of the school community are treated with dignity and respect.

Currently, Iowa does not have a state-wide, non-discrimination policy to protect kids within our schools. Our state will now set a minimum guideline on protecting students from bullying and harassment. This reinforces Iowa's commitment to a quality education for all.

School districts are now required to include policies on anti-harassment and anti-bullying. The

policies must be included in the comprehensive school plan and take effect by September 1, 2007.

The guidelines will make clear to all students, teachers, and staff the types of conduct prohibited at school and know the consequences for such behavior. Teachers will also have the tools necessary to enforce discipline and personal conduct in their classrooms.

## Legislature Works on Expanding Mental Health Parity

The House Human Resources Committee passed a bill, identical to a bill moving through the Senate, which expands mental health parity to include mental illness and substance abuse.

Under current law, mental illness coverage is limited to biologically based mental illnesses,

such as schizophrenia. This bill expands mental health parity to include eating disorders, depression, anxiety disorders and illnesses including substance abuse. Proponents of this expansion argue that these disorders result in lost productivity when employees miss work.

Like the 2005 law, based on concerns raised by many small business owners, employers with fewer than 50 full-time employees are exempted from this bill's requirements.

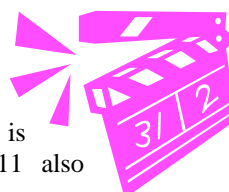
House File 96 is now ready to be debated on the House floor.

## Incentives for Iowa Film Projects

The House Economic Growth Committee has moved forward on a bill designed to encourage more film producers and directors to film in Iowa. House File 411 passed committee this week and is eligible for debate by the full House.

The bill will provide a film producer an income tax credit up to 25% of qualified in-state expenditures once a \$100,000 threshold is reached. House File 411 also

allows an Iowa based business an investment tax credit of 25% for selling, renting or furnishing items or services directly related



to a registered film project.

These incentives will assist film makers with the expenses of producing a film, and make Iowa more competitive with other states for film projects. Not only will Iowa have the "people" incentive to film here, but there will be actual financial incentives as well.

A film project locating in a community generates tourism and

improves local Iowa economies. It also generates jobs for technicians, costume designers, and local artists who are hired.

Iowa has a history of great films being shot in Iowa. Among these are "Fist," "Field of Dreams," "Twister," "The Bridges of Madison County," and most recently, "The Final Season." Up to now, Iowa's main tool for bringing films to the state has been

the word of mouth, although Iowa does not require location fees for filming on state property, and the hotel occupancy tax is waived after 31 consecutive days of stay.

However, many states including New Mexico, Illinois and Wisconsin have started to offer additional incentives to bring projects to their state. House File 411 would make Iowa competitive with other states.

## Crime Victim Compensation Expanded

The House amended and passed Senate File 70, which provides additional benefits for victims of crime. The State has a crime victim compensation fund, which reimburses violent crime victims for out-of-pocket expenses incurred as a result of a crime. The fund is a payer of last resort.

Senate File 70 increases the payment limits to victims for medical care, counseling services, clothing held as evidence, loss of support for dependents of a murder victim or a victim disabled from work over 60 days, and clarifies the lost wages benefit is \$1,000 per parent or caretaker rather than \$1,000 per case. The bill creates

new benefits, including child and dependent care reimbursement; replacement of locks, windows, and other security items; and transportation costs to medical, funeral, counseling, and criminal justice proceedings.

The bill expands which victims can be compensated to include victims of reckless boating, hit and run boating, and boating under the influence of drugs. Current law already applies to drunk boating.

The bill also authorizes Iowa's Crime Victim Assistance Division of the Attorney General's office to administer an automated victim notification system. This system is an automated phone or computer

notice that is sent to registered crime victims, and their families, when there is any change in their offender's location or status. The victim may also call or look-up information at any time from any location.

The crime victim compensation fund is entirely funded with criminal fines and penalties paid into the fund. The bill was requested by the Iowa Attorney General's office.

The bill is currently on the Senate Calendar. The Senate would need to adopt the changes made by the House before the bill can go to the Governor for his signature.

## Enterprise Zones Get a Favorable Report

This week the Department of Economic Development (DED) released a report on Iowa's enterprise zone program. It showed that the program has been very beneficial in assisting business and housing developments in the state.

From July 1998 to December 2006, approximately \$442 million in tax credits have been awarded to businesses and housing developers through the enterprise zone program. Businesses were awarded a total of \$3.5 billion in capital investments. Housing developers received credits of \$94 million to build or rehabilitate 6,168 housing

units at an expenditure of \$749 million.

Not all the tax credits awarded are likely to be used, but state and local taxes anticipated from the enterprise zone businesses are estimated to be twice as great as what was awarded.

For fiscal years 2004 and 2005, companies have already exceeded their job creation pledges. The report indicated that it is too early in the job creation process to tell if fiscal years 2006 and 2007 companies will meet their goals. Businesses are required by the

program to create at least 10 jobs over a three year period, and maintain those jobs for ten years.

Until recently, there has been no comprehensive way to link an individual credit claimed to the specific tax credit awarded. However, starting in 2006, tax credit recipients have to file a new state form which links the claim to the credit. This will make future reports and tracking more accurate and easier to follow.

Housing enterprise zones projects are able to receive a refund of state sales taxes, an investment

tax credit and a tax credit earned when the home or unit is certified for occupancy. A local property tax exemption, additional funding for new employees, a refund on state sales tax, an investment tax

credit, and refundable research activities tax credit are the business incentives offered through the program.

This session the Legislature is looking at ways to expand the

program to more communities and add a provision for communities hit by a permanent lay-off by an employer.

## Bill Allows DNR to Regulate Deer Contraceptive Drug

The House Natural Resources Committee adopted a bill this week that allows the Department of Natural Resources to regulate and provide oversight on the use of any fertility drugs on free-roaming or non-captive wildlife. The Department of Natural Resources asked the legislature to adopt House Study Bill 37 because Iowa does not have a law clearly specifying who would have the authority over these drugs that could be administered to wildlife.

The department said they will restrict the use of drugs on non-captive wildlife to protect Iowa's natural resources and to make sure proper safeguards are in place to prevent misuse of the drugs.

Scientists at the U.S. Department of Agriculture's Wildlife Services' National Wildlife Research Center have developed a new hormone vaccine, GonaCon, which renders an animal sterile. The methods of delivering the drugs are usually by remote injection, and some argue the delivery darts could pose safety issues for all mammals.

House Study Bill 37 does not prohibit a licensed veterinarian from treating sick or injured wildlife. It does not prohibit government employees, animal control officers, licensed animal shelters or licensed pounds from carrying out their duties related to

public health, wildlife management, or wildlife removal.

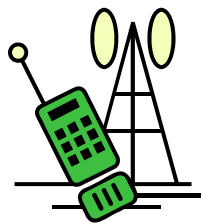
The Department of Natural Resources said the intent of this proposed legislation is to *restrict the use of such a product if and when it becomes available*. At no point would their wildlife biologists envision a day when such a product replaces the harvest of deer through hunting as the primary method of managing the herd.

The USDA Wildlife Services' fact sheet on GonaCon says this drug has not been approved by the Food and Drug Administration. Once registered, the drug will be under the authority of the U.S. Environmental Protection Agency.

## Bill Requires Study on Antenna Structures

Under a bill that passed the House Transportation Committee, House File 266, the Department of Transportation will conduct a study of antenna structures that are not high enough in the airspace to be under the purview of the Federal Communications

Commissions. These antenna structures, such as cell phone and digital television towers, are not required to be marked with either reflective tape or lights, and therefore cause navigation problems for smaller aircraft such as



helicopters used by hospitals.

The study must be done in consultation with interested parties, and must be reported back to the legislature by December 31, 2007. The department will look at whether the state needs to be involved in addressing this issue of safety.

## Department of Transportation Budget Bill

This week, the House Appropriations Committee unanimously approved the Department of Transportation's budget bill for fiscal year 2008, House Study Bill 202. Fiscal year 2008 runs from July 1, 2007, through June 30, 2008. The bill

does not appropriate any money from the general fund, only from the road use tax fund and the primary road fund.

The road use tax fund is mainly made up of money from the motor vehicle use tax (sales tax), motor vehicle fuel taxes, motor

vehicle registration and titling fees, and driver's licenses fees. All monies collected, except the use tax, are required by the Iowa Constitution to be spent for the construction, maintenance, and supervision of the state's public highways. The primary road fund

is an allocation from the road use tax fund, and the money from this fund is to be spent on items that relate to state-owned roads.

**FY 2008 Appropriations**

The bill appropriates a total of \$316 million, which is an increase of \$1.6 million from the previous fiscal year. Almost \$1 million of that increase is due to the increased costs associated with purchasing of fuel and salt.

The bill appropriates money to fund 3,374 full time positions for the operations of the department. There is a net decrease of close to \$400,000 due to the department's move from its current Des Moines site at Park Fair Mall to the newly built Ankeny facility. This move is expected to happen at the beginning of June.

There is a \$2.3 million appropriation for a new garage in Clarinda, and a new \$100,000

appropriation for maintenance at various scale areas. The bill also continues the \$100,000 appropriations each for roofing projects at various garages and for heating, ventilation and air conditioning at various sites.

The bill is now ready for debate by the full House before going to the Senate.

**State Anticipates \$4.4 Billion in Federal Funds**

The House Appropriation Committee approved the Federal Block Grant bill. House Study Bill 180 establishes the mechanism for the state to receive \$4.4 billion in federal funds for FY 2008, which is estimated to be \$23.8 million less than the state received in FY 2007. Approximately \$156.3 million of the federal funds received are in the form of federal block grant funds. The other \$4.3 billion the state receives in federal funds are in the form of categorical grants in FY 2008.

The bill directs the Governor to prorate the funds to the various programs on the same percentage basis, as specified in this bill, if funding received from the federal government is less than the amount appropriated. If the funds received exceed the amount appropriated, the excess is to be prorated to these programs according to the same percentages.

Highlights of the federal block grant funding are as follows:

- \$13.5 million to the Department of Public Health for the Substance Abuse Block Grant, a decrease of \$139,005 compared to last year.

- \$3.6 million to the Department of Human Services for the Community Mental Health Services Block Grant, a decrease of \$68,727 compared to last year.
- \$6.6 million to the Department of Public Health for the Maternal and Child Health Services Block Grant, a decrease of \$158,284 compared to last year.
- \$1.1 million to the Department of Public Health for the Preventive Health and Health Services Block Grant, a decrease of \$262,126 compared to last year.
- \$1.5 million to the Department of Justice for the Stop Violence Against Women Grant Program, an increase of \$50,334 from last year.
- \$87,514 to the Governor's Office of Drug Control Policy for the Federal Residential Substance Abuse Treatment of State Prisoners Formula Grant Program, a decrease of \$12,486 compared to last year.
- \$1.9 million from the Edward Byrne Memorial Formula Grant Program appropriation, which was merged with the Local Law Enforcement Block Grant, to provide the Federal Local Law Enforcement Block Grant

appropriation to the Governor's Office of Drug Control Policy. This represents a decrease of \$118,377 compared to last year.

- \$6.8 million to the Department of Human Rights for the Community Services Block Grant, a decrease of \$68,702 compared to last year.
- \$26.5 million to the Department of Economic Development for the Community Development Block Grant, a decrease of \$2.8 million compared to last year.
- \$36.3 million to the Department of Human Rights for the Low-Income Energy Assistance Block Grant, an increase of \$1.8 million compared to last year.
- \$16.9 million to the Department of Human Services for the Social Services Block Grant, no change compared to last year.
- \$41.6 million to the Department of Human Services for the Child Care and Development Block Grant, an increase of \$1.1 million compared to last year.