



State Representative Andrew Wenthe

Statehouse News

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Capitol Comments

As we all prepare to celebrate Independence Day with picnics, parades, and likely a healthy dose of presidential politics, I wanted to remind us all about the history behind this day of celebration. Every school child knows that July 4th is the day in 1776 that the Declaration of Independence was adopted by the delegates of the Continental Congress sitting in Philadelphia. But, it was actually on June 7th that delegate Richard Henry Lee of Virginia proposed a resolution stating that “these united colonies are, and of right, out to be, free and independent states.” A committee was then appointed to draft a declaration.

Lee’s resolution was actually adopted on July 2nd. Then the delegates spent the next two days debating the declaration of independence. The primary author was Thomas Jefferson, because the delegates thought he was the strongest and most eloquent writer. None-the-less, the delegates made 86 changes in Jefferson’s original document.

Everyone also knows that the delegates to the convention signed the document, mutually pledging to each other “our lives, our fortunes, and our sacred honor.” In signing, John Hancock made sure that the British could read his “John Hancock.” However, most of us do not know that the document was not actually signed on July 4th. While most of the 56 names were in place by August, Thomas McKean (Delaware) did not sign until 1781.

On July 4, 1777, Philadelphia marked Independence Day with the adjourning of Congress and a celebration. Other towns soon followed the tradition, holding cele-

brations of their own. However, it was not until 1941 that Congress declared July 4th a legal, federal holiday.

When our forefathers declared our independence over 230 years ago, they granted the original colonies the right to create their own laws. This year, the Iowa General Assembly passed several new laws, and most go into affect July 1, 2007. While some of our actions were widely reported, others received much less fanfare but will still affect many Iowans. I thought it would be helpful to share a sampling of these new laws:

- Car Title Loans – Iowans who take out **car title loans** can no longer be charged more than 21% interest. In the past, interest has gone as high as 264% ([HF 5](#))
- Most young children will now need a **blood lead test** by age 6 ([HF 158](#)) and will need a **pneumococcal disease immunization** before entering a licensed day care center ([HF 245](#))
- Dentists who provide free services at field dental clinics will now be protected against liability by being considered an employee of the state ([HF 566](#))
- The department of education will develop **age appropriate and research based human growth and development curriculum** to be used by school districts ([HF 611](#))

- The new **Generation Iowa Commission** can begin work, finding ways to keep bright, young people in Iowa ([HF 617](#))
- County auditors will now be able to appoint qualified **high school students to work as precinct officials** on election day. Auditors in some counties have been having difficulties in finding individuals willing to work the long hours ([HF 618](#))
- More communities can now be named “**Great Places**” in Iowa. Communities interested should contact the department of cultural affairs by July 11th ([HF 647](#))
- To combat underage drinking, all **beer kegs** sold in Iowa must have an identification number and the purchase must be recorded ([HF 650](#))
- It will be illegal in Iowa to provide **internet hunting** or take wild animal and game birds through the internet ([HF 671](#))
- Owners of **snowmobiles and ATV** will now be able to register electronically, at the same time fines for violations will also be going up ([HF 742](#))
- The **injured veterans** program, to help those wounded in Iraq or Afghanistan, will continue to provide up to \$10,000 to each injured veterans while he or she is receiving medical care. A homeownership program is also extended ([HF 767](#)) ([SF 407](#))
- To counter a federal court decision, a more clearly defined ban on intentionally defacing, defiling, mutilating or trampling on the **American flag** is now law ([HF 817](#))
- An initiative to provide **quality preschool** programs for 4-year olds throughout the state begins July 1, on a voluntary basis ([HF 877](#))
- **Aid to school districts** will increase by 4%, providing a \$103 million increase in state aid (passed in 2006 for the 2007-2008 school year)
- While allowing for embryonic **stem cell** research to help cure diseases such as Parkinson’s and diabetes, the ban on human cloning is maintained ([SF 162](#))
- The Iowa Public Employees Retirement program and other state pension programs must begin to divest of an holding in companies doing business in **Sudan** ([SF 361](#))
- **Sibling** that are put in out-of-home placements will now be able to visit each other ([SF 480](#))
- A **Vietnam Veterans Conflict Bonus** is established for those who served in the armed forces from July 1, 1973 through May 31, 1975

Iowa Creates Lure, Sets Hook, Reels in

Last week Google announced that it will invest \$600 million to build a computer “server farm” in Council Bluffs, eventually creating 200 jobs paying an average of \$50,000. Governor Chet Culver pointed out that these types of jobs have the potential to “keep Iowa’s best and brightest here.”

A server farm is a collection of computers. In this case, Google will use it to field inquiries from people that use its Google Internet web search portal.

Although the first two buildings of the server farm will not begin operations until the spring of 2009, Google will begin hiring for up to 100 jobs, including facilities managers, security and landscaping positions.

The Lure

Last session, when development officials told legislators that Iowa was in the running to land a major computer technology firm, they quickly passed specific incentives to give Iowa an edge over other states. House

File 912 exempted certain computers and equipment from sales and property taxes, if used to operate a web search portal, including temperature control and electric power infrastructure. It also exempts the electricity and other fuel needed to run the web search portal

Iowa law already exempts the sale or rental of computers, machinery, and equipment used in manufacturing and computers used to process or store data by insurers, financial institutions,

and other commercial enterprises.

Supporters pointed out that if Iowa grants these types of incentives to attract insurers and factories; it only makes sense to offer similar incentives to attract

the cutting edge, high-tech, and high-wage jobs of the future.

House File 912 required companies to invest at least \$200 million in Iowa within six years of beginning operation. If the business fails to meet 80%

of this commitment within six years, it loses the exemptions and must repay all sales taxes, plus interest, that would have been due.

Governor Wants Review of Long-Term Care Insurance

Governor Chet Culver has asked the Iowa Insurance Division to review the sale of long-term-care insurance in Iowa and report back to him within 90 days. In his June 20th letter to Insurance Commissioner Susan Voss, the Governor specifically asked that the division review:

- The rate of claim denials and whether they are justifiable.
- The number of policies bought by Iowans and the extent to which Iowans have purchased them.
- Types of policies bought, including the percent with no inflation adjustment and allowing later purchase of additional coverage.
- The amount and frequency of premium increases, average policy lapse rates and how lapse rates relate to premium increases.
- Whether agents have adequately training to assure potential buyers are fully informed as to the risks and benefits of these policies.

The extent that these policies are marketed to people without substantial assets to protect those who are likely to qualify for Medicaid.

- Whether some policies have premium schedules structured to become unaffordable when the buyer is most in need of benefits.
- Whether Iowa needs new legislation or regulation to minimize injury to Iowans due to wrongful long-term-care insurance practices.

July 11th Public Hearing

The Insurance Division will hold a public hearing on these issues at 2:00 pm on Wednesday, July 11th, at its offices at 330 Maple Street in Des Moines. Interested parties have been invited, including members of the long term care insurance industry, the agent and producer community, consumer advocacy groups and various state agency regulators.

The public is also invited and an agenda will be posted on the division website upon confirmation of the speakers. Minutes will also be taken and posted on the website: www.iid.state.ia.us

Send questions or comments to Jolene Schurman, Iowa Insurance Division, 330 Maple Street, Des Moines, Iowa 50319, either by phone (515-281-5575) or by email Jolene.Schurman@iid.state.ia.us.

New Agent Training Rules

On June 13th, the Insurance Division filed proposed new rules to increase the training agents must have to sell long-term-care insurance in Iowa. This is intended to ensure that agents can determine whether long-term-care policies are suitable for consumers and can explain how the long-term care insurance products work. The ultimate goal is that buyers of long-term care insurance understand basic policy features.

Executive Order Signed to Increase E-85 Usage

Governor Culver has signed an executive order to increase the usage of E-85, which is 85% ethanol and 15% petroleum. It sets a goal of 60% E-85 usage in state government flex-fuel vehicles by 2009, and orders the new Office of Energy Independence to work with the Department of Administrative Services to develop ways to achieve this new objective.

According to the Governor's office, a typical driver who uses E-85 instead of traditional unleaded gasoline can prevent more than four tons of carbon dioxide emitted into the environment each year.

"We must take steps now to help reduce the amount of toxins in our air, so people with lung disease and breathing problems can live happier and fuller lives," said Lt. Governor Patty Judge.

According to the Iowa Department of Revenue, sales of E-85 by Iowa retailers reached 407,932 gallons during the first quarter of 2007.

That was a 37% increase over the same time period in 2006.



The Renewable Fuels Association says that Iowa is a leader in alternative fuel production with 11 biodiesel refineries that have a combined annual capacity of nearly 200 million gallons in operation. Three biodiesel refineries under construction will add 120 million gallons of capacity. In addition, Iowa has 28 ethanol refineries with the capacity to produce nearly 1.9

billion gallons annually. Nineteen ethanol refineries under construction or expansion will add over 1.4 billion gallons of annual capacity. Many additional renewable fuels projects are under development.

“Iowa is the leader in Biofuels production, and now we must be the leader in Biofuels use,” said Governor Culver.

At the signing of the executive order, the Governor and Lt. Governor were joined by officials from the Department of Administrative Services and the American Lung Association at a “Kicking the Oil Addiction” workshop to encourage greater E-85 usage in state government and across the state.

Legislative Fiscal Committee Meets

The Legislative Fiscal Committee met on June 14th for their first meeting of the 2007 interim. The committee reviewed the latest revenue figures, fund balances, transfer orders, update of item-vetoes, and lease-purchases proposed by state agencies.

The Legislative Fiscal Committee has the statutory charge to gather information relative to budget matters, which includes an examination of reports and official acts of the executive council, state boards, commissions, and departments, government organization and efficiencies, information needs for the general assembly and policies for the content and administration of a legislative database. The committee will meet periodically throughout the interim, and tentatively plan to hold their next meeting in September.

Session Wrap-Up

The Legislative Service Agency provided the committee an overview of the Governor’s item-vetoes on the budget bills and reviewed the state general fund balance sheet. The Legislature approved an additional \$71 million in spending for fiscal year 2007, to bring the total general fund appropriations to \$5.372 billion. The fiscal year 07 budget is estimated to have an ending balance of \$253.8 million that will be allocated to the property tax credit fund, the Senior

Living Trust Fund, and the state cash reserve fund.

The fiscal year 2008 general fund budget appropriates \$5.856 billion and has a projected ending balance of \$81.5 million. The fiscal year 2008 budget lives within the Iowa spending limitation law and builds our reserve funds to over \$592 million, to protect against any economic downturn.

Jeff Robinson, with the Legislative Service Agency, provided the committee with the latest revenue collection returns. Overall, revenues appear on track to meet the Revenue Estimating Conference projections for FY 2007. There was some discussion of weakness in the cigarette and tobacco tax collections. A decline in usage was anticipated with the cigarette and tobacco rate increase, but there is no concern about the revenues impacting the \$127.6 million appropriation to the Health Care Trust Fund.

Lease-Purchases

The committee reviews all lease-purchase notifications and appropriation transfers. Iowa law allows the Governor to make intra-agency appropriation transfers, which help him move funds around within an agency’s budget to use excess funds in one area to cover a shortfall in another. Funds were transferred for the West Capitol Terrace Project, for salaries within the Department of Human Rights,

voter registration services in the Secretary of State office, and for the civil commitment unit for sexual offenders.

State agencies have the ability to make lease-purchases with existing state resources through the State Treasurers office. If the lease-purchase exceeds \$1 million, than the lease-purchase must be approved by a constitutional majority of the legislature or the legislative council, if the legislature is not in session.

The committee reviewed three lease-purchases. The Department of Corrections had two - one for \$210,000 to purchase a digital video recording system, and \$532,000 for door control hardware and software, both at the Fort Dodge Correctional Facility. The third lease-purchase proposal was for \$8 million by the Department of Administrative Services for the purchase of, and renovation improvements to, the Mercy Hospital Capitol property. The Department of Administrative Services has negotiated a purchase price of \$6 million for the purchase of the buildings and 10 acres of land. The Department is estimating that an additional \$2 million in work would be needed to convert the hospital space into suitable office space. Since this project exceeds the \$1 million threshold, the project must have the approval of the legislative council before the State Treasurer

can proceed with the lease-purchase financing.

New Teacher Quality Law Goes into Effect

On July 1, 2007, the new fiscal year for state budgeting purposes begins. The changes to the teacher quality law will also go into effect on that date. This year's legislation includes several major changes.

Teacher Definition

One of the biggest changes to the teacher quality law is the definition of teacher. The definition now includes teacher librarians, guidance counselors, school nurses, and other licensed non-administrative professional staff at area education agencies.

With the change in the teacher definition, the staff that is now included will receive the additional compensation from the teacher quality money. Previously, only licensed teachers, who provided direct classroom instruction, received the compensation.

Professional Development

The appropriation for professional development goes from \$10 million to \$20 million, which is the

equivalent of two days. Additional funding for professional development means that school districts will now be able to provide two teacher contract days, with flexibility on how to use the second day.

Currently districts are required to provide one day of professional development. With the additional money, school districts can provide teachers with the opportunities necessary to be successful in the classroom and school district. For example, a district may choose to use the additional money for a specific area such as math professional development.

Administrator Mentoring

New administrators are required to go through a mentoring and induction phase similar to the new teacher's process. The program will include a support structure for the new administrator and program evaluation.

Teacher Quality Committee

A new committee is created at the district level to monitor appropriate professional development, evaluations, and implementation of laws relating to teachers. The committee will be comprised of administrators and teachers. If a district already has a similar process in place, they may utilize that as the teacher quality committee or that committee can act in an advisory role to the new committee.

Overall Compensation

A total of \$141.2 million will go specifically into teacher salaries for the school year 2007-2008. For the 2008-2009 school year, \$232.5 million is allotted for compensation. The overall package including market factor pay, professional development, and national board certification is \$174 million for 2007-2008.

"IowaVINE" Allows Victims to Track Offenders

An information and notification system so crime victims can track their offenders is now available in 23 Iowa counties. Attorney General Tom Miller touted the system as a critical step in implementing the laws that give victims the legal right to information and notification about their offender. This system will notify the victims when their offender is apprehended, transferred, released, escaped, or died.

If the offender is currently in a Dept. of Corrections' facility, they are not currently on IowaVINE. However, the department does ex-

pect to connect later this year. This service is free, and the offender will not know if someone has registered to be informed of the offender's whereabouts.

Persons who believe that they are at risk from an offender should contact their local law enforcement agency to report concerns and create a safety plan. Registering with IowaVINE can be done online at www.vinelink.com, or by calling 888-7-IAVINE. Persons may register to receive notification at more than one phone number, including a cell phone. The registrant will choose a four-digit personal identi-

fication number that they must enter when they receive phone calls from IowaVINE.



This system will not list federal inmates; there is a separate Federal Victim Notification System, www.notify.usdoj.gov or 866-365-4968.

Iowa Veterans Cemetery

Construction starts the first of July on the Iowa Veterans Cemetery, which will be the first state owned and operated veterans' cemetery in Iowa. The cemetery will be located west of Des Moines along Interstate 80 near the Van Meter exit. The Iowa Veterans Cemetery plans on being open in time for Memorial Day 2008.

The cemetery is located on 96 acres of rolling hills surrounded by trees. The first of four phases in the project will provide enough gravesites for twenty years. The first phase also includes an administration/maintenance building and a committal shelter.

Any veteran honorably discharged is eligible to be buried in

the cemetery. Being a resident of Iowa is not required. In addition, for a fee the veteran may be buried with his or her partner. The cemetery provides resting places for both caskets and ashes.

The funding for the cemetery has been provided through a series of national and state grants along with the land donation.

The Next Iowa Great Place Is...?

The Department of Cultural Affairs (DCA) is calling for submissions of proposals from communities wanting to be designated the state's newest Great Place. Iowa Great Places combine state and local resources to help Iowans make their communities, regions, neighborhoods and districts great places to live, work and raise a family.

Iowans interested in consulting with Iowa Great Places Advisory Board members must contact DCA by 4:30 p.m. July 11, 2007. Participation in the consultation process is not required, but it is recommended. Board members will consult with Iowans about their proposals at 1 p.m., July 16, 2007 at the State Historical Building, 600 E. Locust Street, Des Moines.

The consultation will offer a brief overview of the Great Places program, including what is a Great Place and what will be important components of applications. Prospective applicants will be able to discuss their vision with a small group of Great Places board members and receive feedback and sug-

gestions. Applicants may bring draft proposal and visual materials, but PowerPoint presentations will not be allowed.

The deadline for submitting an Intent to Apply Letter is August 1, 2007. Guidelines for this letter will be posted July 2, 2007, on DCA's website www.iowagreatplaces.gov. The Intent to Apply Letter will indicate representatives from the community, county or region plan to apply for the Great Places designation by September 4, 2007, and provide a short description of the location's vision. Coaches from various state agencies will be assigned to assist in the application process.

With the passage of House File 647, there is no cap on the number of Great Places that can be selected this year. The Great Places Advisory Board will be selecting the next group based on the seven dimensions of a Great Place, sustainability and feasibility of proposed projects, and readiness to complete proposed projects. Such proposals should be the result of an inclusive strategic planning process that ac-

curately depicts the Great Place's vision.

If chosen as a Great Place, they would join the other nine Great Places selected. Those include Clinton, Coon Rapids, Sioux City, Adams County, Dubuque, Fairfield, Guttenberg, Jackson County and Mason City.

Great Places Time Line:

- July 11th - Deadline for applying for consultation with Great Places Advisory Board.
- July 16th - Consultations with Great Places Advisory Board.
- Aug. 1st - Deadline for submitting Intent to Apply Letter.
- Sept. 4th - Completed Great Places proposals are due at 4:30 p.m., State Historical Building.
- Oct. 8th- 12th - Great Place Finalist bus tour.
- Oct. 15th - The 2007-2008 Great Places will be announced at the State Historical Building.

Grants Provide Low-Income with Legal Services

Last week, the Iowa Supreme Court announced grants to entities

across the state, which provide legal services for low-income Io-

wans, as well as law-related education services. Money for the grants

comes from the interest on the Iowa Lawyers' Trust Account (IOLTA) program. Money that is held by lawyers is required to be put into a pooled trust account, and it is the interest on this account that is used for the grants.

Grants have been made since 1985, totaling close to \$20 million. Entities apply for the grants, and a seven member commission makes recommendations to the Supreme Court. This year, the Supreme Court awarded 17 grants totaling more than \$1 million, to entities that provide both local and state-wide services. Below are just a few of the entities that received grants. For a full listing of the grants,

please go to [www.judicial.state.ia.us/News Service/News Releases/](http://www.judicial.state.ia.us/News_Service/News_Releases/).

- [Kids First Law Center](#) to provide legal services to children in high-conflict divorce and custody cases when parents cannot afford counseling for them (Linn and Johnson Counties).
- [Iowa Legal Aid](#) to provide legal staff to continue the Legal Hotline for Older Iowans (State-wide).
- [Iowa Coalition Against Domestic Violence](#) to provide immigration and domestic violence legal

services to battered women and their children (statewide).

- [Clinical Law Program at University of Iowa & Drake University's Legal Clinic](#) to continue the Poverty Law Internship Program where law students intern with legal service providers (statewide).
- [Know Your Constitution Committee](#) to provide education about the US Constitution to Iowa high school students. This program is administered by the Young Lawyers Division of the Iowa State Bar Association (statewide).

IPERS Announces Counseling Sessions

The Iowa Public Employees Retirement System (IPERS) has announced the dates and times for upcoming retirement counseling sessions at various locations around the state. Sessions begin on July 30 and run through December 19, 2007. Counseling is available three ways: general sessions, individual sessions or by telephone.

A general session is for group presentation. IPERS gives an overview of IPERS retirement benefits and answers general questions. This session is recommended for new to mid-career IPERS members.

Individual counseling covers projection of benefits and discussion of retirement benefit options. Individual counseling is recommended for everyone retiring in three to five years but is open to everyone. IPERS cautions that evening appointments fill up fast; so if you are considering retirement within the next three to five years, schedule your appointment with a benefits specialist as soon as possible.

IPERS also has telephone counseling for anyone unable to meet with an IPERS representative. Benefit projections are sent by mail.

IPERS also will hold evening appointments in the Des Moines IPERS office beginning in September. Due to anticipated demand, IPERS can accept only scheduled evening appointments on the days specified in the counseling schedule. The office will not be open in the evenings for anyone walking in who does not have a scheduled appointment.

Information on the dates and times for benefit education and retirement planning being held around the state can be found at www.ipers.org.

CAT Project Aims to Be Certified Energy Efficient

In June, the Vision Iowa Board approved \$820,000 in grants to projects located in Grinnell and Shell Rock. To date, 269 Community Attraction and Tourism (CAT) awards have been granted by the board, totaling almost \$88 million.

The significance of the Grinnell Public Library is that it is the first CAT project to be contingent

upon the building being LEED (Leadership in Energy and Environmental Design) certified. If approved, the building would meet stringent energy efficiency standards that, besides helping the environment, will save the community on energy costs.

The \$7.5 million project was approved for a \$750,000 grant. It

will include the construction of a 26,000 square foot library and adjoining parking lot.

The McCague Park Enhancements project in Shell Rock includes reconstructing the tennis courts, construction of a new T-ball field, new basketball court, new volleyball courts, new soccer fields, new play equipment and a new trail

connecting to other city parks. The \$264,000 project was awarded \$70,000.

This award is contingent upon the completion of fundraising, including a larger contribution from the County Board of Supervisors,

within 90 days. If this happens, the project will be able to break ground late this summer and become a tremendous asset to the community.

The Vision Iowa Program and the CAT Program provide financial

incentives to communities for the construction of recreational, cultural, educational or entertainment facilities that enhance the quality of life in Iowa.

Values Fund Assists Lake Geode Beach Project

One of the less publicized areas of the Grow Iowa Values Fund is the assistance given to improve Iowa's state parks. Brushy Creek, Nine Eagles and Waubonsie state parks have received assistance over the years.

This year the Economic Development Board has approved \$350,000 for Geode State Park in Henry County. The monies will leverage several other funding sources for beach redevelopment. It will include a new shelter with a kitchen, large beach playgrounds and a walkway system.

Dedicated in 1951, Geode is located 10 miles west of Burlington near Danville, and comprises 1,640 acres with a 200-unit campground

and a long beach with 6 miles of shoreline. With just over 300,000 visitors annually, the primary goal of the project is to revitalize an underutilized beach into a popular spot for family gatherings.

In making the announcement during Burlington's Capitol for the Day event, Governor Culver emphasized that the new playground will be handicapped accessible, the largest of its kind in the state. He also took time to highlight many of the water quality accomplishments made during the 2007 Session.

Water Quality Initiatives:

The Fiscal Year 2008 budget includes \$5 million for water quality improvements through the Wa-

tershed Improvement Review Board.

Included in the Environment First Fund was \$15.5 million in Resource Enhancement and Protection (REAP) funding. This is a \$4.5 million increase from the previous year. The REAP program provides funding to several popular programs, including city, county and state parks, local water quality projects, habitat and historical resource protection, roadside vegetation and conservation education.

The budget also included \$16.6 million in RIIF funding for water quality improvements. This includes \$8.6 million in funding for lake restoration.