



Legislative report

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Last week marked the halfway point of session. We have completed 6 weeks, and with the shortened goal of an 80-day session, we have 6 weeks left. Many committee meetings were cancelled as focus was on floor action. The next funnel deadline is March 5; any bills that passed committee last week need to make it through their respective chambers and through a committee on the other side by that date in order to be considered still alive.

Government reorganization

The House debated and passed the "Government Reorganization" bill 98-0 after numerous amendments and debate that spanned two days. The bill that was passed by the House is significantly different from the one passed by the Senate (making their reconciliation complicated). The version of the bill passed by the House is estimated to save \$70.6 million to the state's general fund and \$55.7 million to other funds in Fiscal Year 2011.

The "Government Reorganization" bill aims to create efficiencies and cut costs in many aspects of state government. One major reorganization aspect of the bill is the consolidation of most of the state's information technology systems. The consolidation will save an estimated one million dollars in Fiscal Year 2011 with little disruption to the public.

Dog kennel legislation

The Iowa House spent one full day of debate this week to approve a bill that claims to aim for more humane care and treatment of dogs in Iowa's breeding operations although some Republicans and farmers said they were unhappy with the fee increase and worried how it would impact cities and small pet shop owners. This week's passage of the legislation came after lawmakers were unable to reach consensus on the issue last year and legislators spent the interim working with the parties on both sides to find an acceptable compromise.

Breeders were brought to the table to negotiate a bill that protects legitimate businesses while hopefully removing any bad actors from the industry.

Rep. Annette Sweeney, R-Alden, a farmer and publisher, said she is afraid the "puppy mill bill" is opening the door to a slippery slope, but her amendment to go after the "bad actors" in the industry without penalizing small businesses failed on a 41-52 vote.

The bill passed on the Humans Lobby Day at the Capitol, sponsored by the Humane Society of the United States. "This day is an opportunity for animal advocates throughout the state of Iowa to come together and let their legislators know how important animal welfare issues are in our state," said Carol Griglione, the Humane Society's Iowa director. "We urge the Legislature to support HF 2280 to crack down on puppy mills."

Floor manager Rep. Jim Lykam, D-Davenport, tried to dilute criticism by arguing that the bill does not apply to livestock or any other kind of agricultural animal. "No one is opposed to this bill," he said. "It has been agreed upon by the breeders and all the other groups." "Saving one animal will not change the world, but it will change the world for that one animal," said Rep. Jim Lykam, D-Davenport, the bill's floor manager.

"The Iowa Federation of Animal Owners consulted with legislators regularly throughout the development of the legislation just passed by the Iowa House to ensure reasonable steps were taken so the industry could continue its commitment to animal welfare without any undue burden on legal businesses.

This has been an emotional debate and we are thankful that in the end reason ruled over rhetoric. Through it all, Iowa's pet breeders remain compassionate for our animals, cautious for their safety and health, and committed to our customers." stated Nancy Carlson, with the Iowa Federation of Animal Owners, on passage of HF 2280.

Alternative agriculture opportunity- medical marijuana?

The Iowa Board of Pharmacy voted in favor of medical marijuana, recommending that the Legislature reclassify marijuana as a Schedule 2 drug, the category used for drugs with accepted medical use but also a potential for abuse. The board said reclassifying marijuana would be the first step of a process that could ultimately result in legalization for medical purposes. Board Executive Director Lloyd Jessen said testimony taken during public meetings last fall in Des Moines, Mason City, Iowa City and Council Bluffs was about 90 percent in favor of medical marijuana. But board members still made arguments on both sides of the issue. Before the meeting, Carl Olsen of Iowans for Medical Marijuana said he believed Iowa was set to become the 15th state to accept the medical use of marijuana. However, the issue failed to clear the Legislature's "funnel" deadline last week, meaning the legislation is no longer eligible for debate this session unless it's brought forward by a legislative leader.

Fair share

The bill sets reimbursement as a mandatory topic for conversation for public employee unions. If unions decide to require reimbursement, 18,000 non-union members could be forced to pay up to 65 percent of union dues for collective bargaining and 10 percent for grievance services amounting up to \$5.3 million.

Many proponents of the bill said the issue had been blown out of proportion, noting it only affects the executive branch in the state and reimbursements could not go towards political or educational efforts. "When this becomes law and is fully operational people will see that the sun still rises and sets," said Tom Jochum of the Plumbers and Steam Fitters Local Union 33.

But Toby Shine, who owns the Shine Brothers in recycling business in Spencer, called the bill an "anti-job proposal" that goes lowa's right-to-work law. "I would hate to have an employee pay to have a job, and that's what this would do," Shine said.

Impending budget issues

This week the House and Senate leaders announced budget targets for FY 2011. Democrats said the budget targets will help middle-class families, small businesses and other lowans recover from the national recession. A framework for the budget set by legislative leaders would spend \$474.7 million less in the general fund than recommended by Gov. Chet Culver and \$260.8 million less than the current fiscal year, which amounts to about a 5 percent cut. Republicans immediately criticized the spending plan as incomplete because it only included about half of the state's spending and didn't account for key appropriations such as the standings bill, which includes K-12 education. They also said it would increase property taxes. Meanwhile, Senate Republicans this week formally asked Attorney General Tom Miller to issue a legal opinion on whether Culver should produce a new proposed budget for fiscal year 2011.

This followed last week's comments by State Auditor Vaudt, stating that the Governor is proposing the state spend \$1.11 for every dollar of available revenue. Last week Auditor Vaudt said the Governor's budget exceeds the 99 percent spending limitation and is out of balance by as much as \$400 million. Instead of finding savings, the Governor is borrowing \$207.5 million from the State's Cash Reserve Fund.

Budget Subs	Actual FY 2009	Estimated FY 2010	Gov Supp FY 2010	Gov Net FY 2010	Gov FY 2011	LEG Targets FY 2011	Leg FY 11 vs Gov Net FY 10
Administration & Regulation	\$97.5 million	\$61 million	\$0	\$61 million	\$63.8 million	\$63.8 million	\$2.9 million
Agriculture & Natural Resources	\$51.5 million	\$36.3 million	\$0	\$36.3 million	\$36.3 million	\$36 million	-\$340,780
Economic Development	\$48.2 million	\$40.6 million	\$0	\$40.6 million	\$41.9 million	\$41.8 million	\$1.1 million
Education	\$1.3 billion	\$815.9 million	\$40 million	\$855.9 million	\$861 million	\$844.4 million	-\$11.5 million

Health & Human Services	\$1.2 billion	\$1.1 billion	\$4.5 million	\$1.1 billion	\$1.3 billion	\$954.3 million	-\$172.6 million
Justice System	\$689.4 million	\$625.8 million	\$7.7 million	\$633.4 million	\$639.8 million	\$634.4 million	\$920,181
Transportation, Infrastructure, and Capitals	\$0	\$1.4 million	\$0	\$1.4 million	\$0	\$0	-\$1.4 million
SF 2088 Appropriations	\$0	\$0	\$0	\$0	\$0	\$1.7 million	\$1.7 million
DOM Statewide Reductions SF 2088 & EO						-\$81.6 million	-\$81.6 million
Grand Total	\$3.3 billion	\$2.7 billion	\$52.1 million	\$2.8 billion	\$3 billion	\$2.5 billion	-\$260.8 million

Allocation plan for sustainable natural resource funding revenues

On the November 2 election ballot, there will be a question asking whether Iowa should constitutionally protect a Natural Resources and Outdoor Recreation Trust Fund, for the purpose of protecting and enhancing water quality and natural areas in Iowa. The Legislature is currently working on legislation that would allocate the money in the fund if this amendment is ratified by the voters. The constitutional amendment says no revenue will be credited to the fund until the Legislature increases the sales tax sometime in the future. If approved by the public, the amendment would dedicate 3/8 of 1 cent of a future state sales tax increase approved by the Legislature. This would generate approximately \$150 million.

It is left to the Legislature to establish the parameters for distribution of the money. House Study Bill 700, which unanimously passed the House Natural Resources Committee, sets the parameters. The legislation would only go into effect if the constitutional amendment on the November 2010 ballot passes.

Proposed Codified Allocation of Natural Resources & Outdoor Recreation Fund

Account	Description of use of allocated fund	Proportion
Natural Resource Account	Provides DNR with additional funds for maintenance, establishment, restoration and enhancement of parks, preserves, wildlife areas, wildlife habitats, native prairies, state forests, and wetlands.	23%
Soil Conservation & Water Protection Account	Provide additional funds to IDALS for support soil conservation and watershed protection, including support of division and commissioners with emphasis on erodible lands, and incentives for biomass for biofuel refineries.	20%

Watershed Protection Account	Provide funds to for joint use by DNR & IDALS to support DNR water resource projects that protect, restore and enhance water quality through the provision of financial assistance to communities for impairment based, locally directed projects.	14%
REAP	Provides additional funds to REAP for further allocation per current law	13%
Local Conservation Partnership Account	Provides DNR with funds to allocate moneys for local communities' initiatives involving parks, preserves, wildlife areas, wildlife habitats, native prairies and wetland; wildlife diversity programs, recreational purposes, improvement of water trails, rivers and streams, education and outreach programs concerning natural history, outdoor safety and ethics.	13%
Trails Account	Provides additional funds for DOT and DNR to support land trail initiatives related to design, establishment, maintenance, improvement and expansion of land trails for equestrian use, bicycles, walking, hiking, nature study or cross country skiing. In addition, such funds may be used to support water trails design, establishment, maintenance, improvement and expansion.	10%
Lake Restoration Account	Provides additional funds to DNR to support public lake restoration initiatives that improves a lake's recreational, environmental, aesthetic, ecological and social value.	7%

Political stock of Chet Culver

Only 36 percent of Iowans approve of the job Chet Culver is doing as governor and former Republican Gov. Terry Branstad would beat him 53 percent to 33 percent, according to the latest Iowa Poll of 531 likely voters. However, the 20-point lead is down from a 24-point lead Branstad had in the last poll taken in November. The poll had a margin of error of plus or minus 4.3 percentage points. Culver brushed off the results, saying repeatedly that he's focused on his job and doesn't pay much attention to polls.

Chris Rants

The former House speaker announced Thursday that he is ending his campaign for governor, saying it had been evident since fall that his campaign was a "long shot." Last month, a campaign finance report showed Rants's fundraising came in last among four Republican gubernatorial candidates. He raised about \$78,000 last year and had only \$6,400 left for his gubernatorial campaign, compared with \$1.55 million raised by former Gov. Terry Branstad, \$595,740 raised by Sioux City businessman Bob Vander Plaats and \$100,114 raised by state Rep. Rod Roberts, R-Carroll. With Rants' departure from the race, Branstad, Roberts and Vander Plaats are the three remaining Republicans vying for the right to challenge Gov. Chet Culver in November.

For more information about the legislative session, contact Carol Balvanz at 515-251-8640