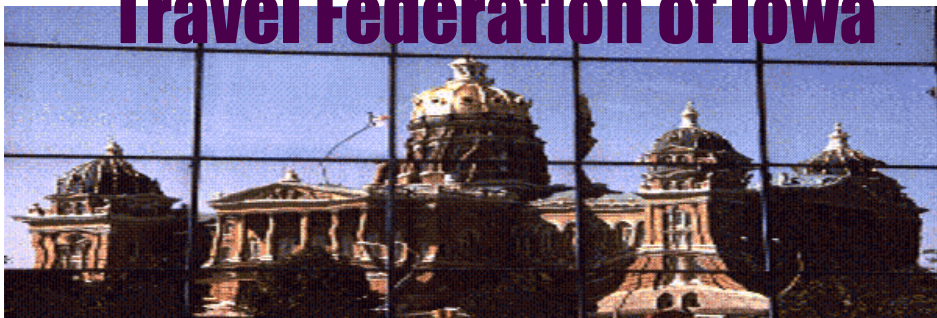


Travel Federation of Iowa



LET'S TALK

TOURISM

Issue One – January 20, 2007

Capitol News

Tourism News

Important Bills

Capitol News

Legislators are back to work, though things are a bit quiet with the new Governor taking a few weeks to develop his budget and put together his new Administration. For the first time in more than 40 years, Democrats are in charge of the Iowa Legislature and the Governor's Office. To some, that might mean things will run more smoothly, as you don't have to hammer out compromises with Republicans. However, history has taught us that this is simply not the case. The House, Senate and Governor will all have their own priorities, and these priorities may not always mesh. Democratic leaders are also saying they will work hard to include Republicans in shaping policy and will listen to their concerns before final decisions are made.

Everybody is playing nice right now, but those who think this will be a smooth session may be putting the cart before the horse. There is a fair chance that things will get rough real soon, likely after the newly elected Governor Culver presents his budget on Tuesday, January 30, 2007. That's when the competition for money begins, and teachers have been promised a 6% pay raise, an amount that will eat up a huge portion of the budget and likely mean all other priorities will have to line up for the meager leftovers.

That's why it is so very important to start asking your legislators NOW for help in funding tourism priorities.

- Increased funding for tourism marketing, whether through an expansion of our dedicated (gambling) funding stream or through our general fund appropriation.
- Expanded funding for trails, parks, historic sites, and other community attractions that help us keep and attract people to our communities.
- Strict enforcement of the school start date, to allow families to finish up their summer vacations in Iowa.

Iowa's tourism and recreational venues provide the children of this state with ways to learn about Iowa and exercise their minds and bodies. Tourism is both education and economic development, and your legislators need your help in understanding this.

So we have an assignment for our tourism professionals around the state:

Call your legislator this week, introduce/re-introduce yourself, communicate this message, and invite your legislators to the Tourism Showcase at the Fairgrounds on Tuesday evening, February 6.

Senate Switchboard: (515) 281-3371

House Switchboard: (515) 281-3221

Likewise, e-mail Governor Culver's office and ask for his support for Iowa's communities. You can email him directly online at:

<http://www.governor.iowa.gov/administration/contact/>.

Budget subcommittees have just started to meet this week, but the meetings have been largely introductory. There have been a few issues that have shown some significant progress and momentum:

- ★ **Minimum Wage.** Many of you may be tracking this issue because of its impact on your business. The bill ([HF 1](#)) cleared the House committee this week and will be debated by the full House on Tuesday afternoon. You can listen to that debate on your computers: <http://www.legis.state.ia.us/Audio/Audio.html>.
- ★ **“Fair Share” Legislation.** The business lobby is fighting to keep Iowa’s status as a “Right to Work” state, which means non-union employees cannot be forced to join a union as a condition of work. The “Fair Share” legislation the Democrats want to pass basically requires a non-union employee receiving benefits negotiated by the union pay for a portion of the union dues. This is shaping up to be a huge political battle.
- ★ **Health Care Reform.** Two Republican Governors have led their states in health insurance reform; Massachusetts requires all people to have health insurance or forfeit their tax returns and California is looking at a \$12 billion plan to insure all of its residents, including non-citizens. Iowa Senator Jack Hatch (D-Des Moines) wants Iowa to take its own logical approach, and has proposed a \$65 million plan to bolster the health care safety net and extend coverage to all Iowa children immediately, and develop a plan to make sure all Iowans have access to affordable health insurance. There will be a public hearing on this issue January 29, and there is a lot of momentum behind doing SOMETHING about health care this year. You can view copies of the bill and research: http://www.legis.state.ia.us/scripts/docmgr/docmgr_comdocs.dll/showtypeFC?id=true&type=ih&com=37

Finally, the Culver Administration is rumored to be seriously considering merging the Division of Community Development in the Department of Economic Development with the Department of Cultural Affairs, creating a new department. Cyndi Pedersen became the Acting Director of the Department of Cultural Affairs soon after Culver took office and asked for former Director Anita Walker’s resignation. We’ll keep you posted on any other government reorganization rumors, and how they may impact tourism.

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Tourism News

Governor Chet Culver’s inaugural address talked about the importance of Iowa’s quality of life, and providing support and resources for it. Whether it ends up in his budget for Fiscal Year 2008 or not remains to be seen. However, several legislators are still clearly committed to continuing their commitment to quality of life projects and programs. Two bills have been introduced, and another has been filed, that will the Travel Federation of Iowa has a strong interest in:

- ★ **Tourism Marketing.** Last year legislators gave tourism marketing a respectable \$1.1 million increase for fiscal year 2008 (starting this July), using dedicated gambling funds for it. Another group of legislators has introduced a bill ([HF 72](#)) that will double that dedicated stream of funding, increasing it from a \$1.1 million commitment to a \$2.2 million funding source. Please encourage your legislators to support this bill and thank our sponsors when you get a change – the sponsors include Representatives Kaufmann, Worthan, Baudler, Dolecheck, Rasmussen, May, S. Olson, Drake, Tjepkes, Heaton, Raecker, Lukan, De Boef, Huseman, Deyoe, Alons, Hoffman, Paulsen, Grassley, Soderberg & Granzow.

- ★ **Livable Communities.** Sen. Jack Hatch (D-Des Moines) and a group of rural and urban legislators met this fall in Marshalltown to talk about ways urban centers and rural communities could work together to create “Livable Communities,” communities that are attractive to both the young and old. Trails, historic preservation, and cultural/arts districts were at the top of the list of things to support. [SF 29](#) expands the historic preservation credit, the cultural/arts/entertainment district tax credits, and allows for the condemnation of land to connect trails. It also expands on the Main Street program and workforce training in community colleges. This bill has momentum, so if you have other ideas for inclusion, be sure to tell your legislator or one of the sponsors. Please take a moment to tell your legislators about this bill and thank the sponsors for taking on this issue: Senators Hatch, Dotzler, McCoy, and Beall.

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Important Bills for Tourism Professionals

HOUSE BILLS

HF 4 - Association Health Insurance Plans/Pilot Project (Subcommittee: Rep. Pettengill, Paulsen, Quirk, Upmeyer & Wise; Bill Status: House Commerce Committee) - Allows the Insurance Commissioner to authorize a five-year pilot project allowing 3-5 associations to offer group health insurance coverage to its small business members (and its members' employees). Extensive reporting during this period is required, including actuarial reports on premiums and impact. Prohibits premium rate increases for such groups above 15% annually. Allows insurers to move a small business into a lower index rate if they implement a wellness or disease management programs. Effective immediately.

HF 11 - Public Land in Voluntary Annexation (Subcommittee: Rep. D. Olson, Kaufmann, & Whitead; Bill Status: House Local Government Committee) - Currently, written consent of the agency having jurisdiction over public land may be used to determine the percentage of territory included with the consent of owners and without the consent of owners. Under this bill, public land cannot be used to determine such percentage regardless of whether the agency having jurisdiction over the public land consents or not.

HF 48 - Brownfield Appropriation (Subcommittee: Not yet assigned; Bill Status: House Appropriations Committee) - This bill appropriates \$3 million from the general fund to the DED for deposit in the brownfield redevelopment fund to be used to provide financial assistance under the brownfield redevelopment program.

HF 72 - County Endowment Fund Increase (Subcommittee: Not yet assigned; Bill Status: House State Government Committee) - Increases the amount of gaming money going into the county endowment fund (where tourism will begin receiving funds in FY08) from .8% to 1.1% beginning July 1, 2007. This should double the amount of funding dedicated to tourism in FY08.

SENATE BILLS

SF 1 & HF 1 - Minimum Wage Increase (Subcommittees: Sen. Courtney (Chair), Dearden, Dvorsky, Ward & Wieck; Not yet assigned in the House; Bill Status: Senate Labor & Business Relations Committee; House Floor) - Increases the state minimum wage from \$5.15/hour to \$6.20/hour on April 1, 2007 and to \$7.25/hour on January 1, 2008. Requires yearly increases in this minimum wage based on the consumer price index. Effective immediately.

SF 20 - Condemnation by Consent (Subcommittee: Sen. Kreiman, Hogg & Zieman; Bill Status: Senate Judiciary Committee) - Strikes from Iowa Code written last year a provision that allows land to be condemned if the owner consents. This provision is being stricken because it may not be constitutional (i.e. if the owner consents, why did they not simply sell the property).

SF 24 - County & District Fair Funding (Subcommittee: Not yet assigned; Bill Status: Senate Appropriations Committee) - Dedicates \$1.59 million of gambling revenues to fund county and district fairs that are members of the Association of Iowa Fairs. Requires gambling funds first go to fund the Vertical Infrastructure Fund, then go to provide general state support for fairs (effectively placing fair funding in front of other infrastructure budget projects).

SF 26 - Art Sales Tax Exemption (Subcommittee: Sen. Quirmbach, Angelo & Connolly; Bill Status: Senate Ways & Means Committee) - Exempts the sale of materials and services used in operating a non-profit private performing arts center from the sales tax. The bill is retroactive to July 2006, and authorizes refunds.

SF 29 - Cultural Economic Development (Subcommittee: Not yet assigned; Bill Status: Senate Economic Growth Committee) - This bill increases from \$2.4M to \$12.4 million the amount of historic preservation and cultural and entertainment district tax credits that may be approved each year. The bill expands self-supported municipal improvement district eligibility. The bill also makes it easier to condemn land solely for the purpose of connecting recreational trails and sets up a trail connectivity fund in DED. The bill provides for tuition assistance for workforce training programs at community colleges and moves the Main Street program from DED to the Department of Cultural Affairs.

SSB 1016 - Iowa Great Places Limitation (Subcommittee: Sen. Rielly (Chair), Schmitz & Mulder; Bill Status: Senate Economic Growth Committee) - Lifts the limitation on the number of Iowa Great Places (currently capped at six) and allows the Iowa Great Places Board to designate as many as they want, as long as the sites "demonstrate a readiness to participate." Requires state agencies to give extra points to grant or loan applications from communities with a Great Places designation, but only for a period of three years following the designation.

SSB 1017 - Iowa Cultural Trust Grant Fund Use (Subcommittee: Sen. Danielson (Chair), Beall & Seymour; Bill Status: Senate Economic Growth Committee) - During state fiscal years 2004 & 2005, the Iowa Cultural Trust Board was allowed to use funds in the Iowa Cultural Trust to implement a statewide educational program to promote Iowa nonprofit arts, history, and sciences and humanities organizations. This bill allows for this to continue once the Trust balance exceeds \$3 million.

2007 Top Tourism Priorities

1. Increase the Iowa Tourism Office's budget to the Midwest regional average of \$8.3 million. Iowa's current budget of \$3,442,000 is not even half of the Midwest regional average.
2. Maintain a traditional school year calendar.
3. We encourage local interest groups to consider what will best serve the industry in their location and encourage them to advocate for those issues.

Important 2007 Dates to Know:

- **Tuesday, February 6, 2007: TOURISM SHOWCASE at the Iowa State Fairgrounds**
- **Friday, February 16, 2007:** Final Day for legislators to request bills
- **Friday, March 9, 2007:** First "Funnel" (bills must be voted out of committee of origin to stay alive)

Your Advocacy Toolkit:

[Find Your Legislator](#)

[Contact Your Legislator](#)

[Legislative Committee Listings](#)

[Track Legislation \(instantly updated\)](#)

[Listen to Debate \(live\)](#)

[House & Senate Calendars \(weekly & daily\)](#)

[Session Calendar](#)

[How a Bill Becomes a Law](#)

[Guide to the General Assembly](#)

[List of Local Public Legislative Forums/Roundtables](#)

Your Capitol Team

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