

LET'S TALK TOURISM



Iowa Legislative Report Capitol News Issue # 6 End of Session

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The 2nd session of the 83rd General Assembly adjourned sine die at 12:48PM on Tuesday, March 30th, the 79th day of session. Sine die means "without a date for future meeting", meaning the Legislature will not come together again until the 2nd Monday of January as prescribed in the Iowa Constitution (unless the Governor calls them into Special Session). The Legislature adjourned during daylight hours for the first time in a long time (in at least nine years, the entire legislative memory of your author!)



The Legislative session was painful for all involved; the limited state budget forced every group to bear cuts, some very deep. As many media outlets reported, Democrats and Republicans finished the session with very different assessments of the state's financial situation. Republicans talked about the one-time spending and how this budget will increase property taxes, and Democrats pointed to a balanced budget for the year that did not require tax increases. All-in-all, legislators and the Governor, regardless of party, deserve credit for enacting a budget that does not include a dramatic drop off in services, like most other states in the union. Arizona, for example, recently cut off ALL children's health insurance and will kick 300,000 adults off Medicaid this January.

Publication Note

This is the last issue of the Legislative Report for the year. We will continue to update the [TFI Bill Tracker](#) as the Governor signs, vetoes and line item vetoes the remaining legislation.

Hotel/Motel Update

In the last days of the session, an attempt was made to enact legislation to allow citizens to vote on whether or not to raise the hotel/motel tax to 9% in cities and 8% in counties. TFI did not take an official position on this, out of respect for members on both sides of the issue. However, we did send out the legislative alert and asked you to weigh in with your thoughts.

In the end, the hotel/motel tax proposal was not passed by the Legislature.

Now, legislators and the Governor will turn their attention toward the June 8th Primary Election and the November 2nd General Election. Senator Grassley will top the ballot this year and will face the winner of the Democratic primary - Roxanne Conlin, Tom Fiegen or Bob Krause. The Governor is on the ballot for re-election and will be challenged by whichever Republican candidate - Terry Branstad, Rod Roberts or Bob Vander Plaats - emerges successfully from the primary. Additionally, all other statewide offices - Secretary of State, State Auditor, State Treasurer, Secretary of Agriculture and Attorney General - are up for re-election.

The Legislature will also see dramatic change following Election Day. All 100 House seats are on the ballot along with half of the 50 Senate Districts (odd numbered districts only). Even if there are no incumbents defeated (which is a rare occurrence), there will be at least 3 new State Senators and a whopping 14 new House members! This is due to the departure of 17 legislators this year. With that many new faces coming on board, it is imperative that you get involved this year. You can see a list of candidates [HERE](#). If you are unsure in which legislative district you reside, just go [HERE](#) and type in your address.

→ Tourism Retirements

The Iowa Tourism Office announced this week that Carol Slater and Nancy Landess will both retire from the Iowa Tourism Office in June. Carol's last day will be June 10; Nancy's last day will be June 24th. This will be a huge blow to the Iowa Tourism Office, a crew that continually beats the national average in every category while having the lowest state budget in the Midwest region.

From a tourism lobbyist's standpoint, we can tell you that Nancy's expertise will be sorely missed in our efforts. She has always been ready with a fact or figure when needed and has always been a pleasure to work with. If our calculations are correct, tourism expenditures in Iowa will have more than doubled when Nancy leaves office from the time she took over the Iowa Tourism Office (from \$3.2 billion to whatever the new number might be - 2008 was \$6.4 billion). That number speaks for itself and it also speaks volumes about the crew she has assembled.



How TFI's Priorities Fared

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TOURISM

It is tough to see a silver lining in this year's legislative session for the tourism industry, other than by recognizing that the state's economic situation created a budget environment where much pain would need to be allocated across the spectrum in order to balance the budget. Tourism, in that respect, did not get singled out for more pain than what was experienced by everyone else.

Priority #1 - Build the Budget and Priority #3 - Fund Our Attractions

Since both these priorities deal with the budget, we combined them here in order to provide you an assessment of how tourism generally fared in the budget process.

Most of the state budget was hammered with 10% across-the-board cuts this year, and further cuts of close to 10% in the appropriations process. However, the Community Development Division of the DED (and much of DED's funding, for that matter) was funded at levels equal to last year. Additionally, the Legislature's decision to fund the Iowa Values Fund at \$38 Million should be adequate to run the business development programs (albeit, at a scaled-back level) for the year.

The direct gaming funds for regional tourism marketing was again capped at \$862,028, but the amount was not cut from last year's levels.

Other tourism programs include a new wine gallonage tax on native wine that will be used to promote Iowa beer and wine, cutting the cap on the historic tax credit from \$50 million down to \$45 million and studying it every five years (beginning in 2014), \$2 million to Iowa Great Places, \$12 million for the Community Attractions & Tourism (CAT) program, \$5 million for the River Enhancement Community Attractions & Tourism (RECAT) program, \$5.6 million for the Main Street Program in FY 2010 (new supplemental) and \$8.5 million for the program in FY 2011, \$500,000 for Regional Sports Authority Districts, \$5 million for state parks, and \$6.5 million in FY 2012 to be used to match a federal grant for high speed passenger rail service between Omaha and Chicago along with a statement that the Legislature intends to fund up to \$20 million

over a four-year period to fully match federal passenger rail grant opportunities. Most of the items in this paragraph are included in either the Infrastructure Budget bill or the Standings Bill, both of which are eligible for line-item veto by the Governor.

Priority #3 - Save Our Summers

The School Start Date issue had a hard time getting off the ground this year. Even with the Iowa Association of School Boards' political problems this session, the shorter time frame for the legislative session and the harshest winter in a generation combined to make this an even bigger uphill battle this year. Worse yet, retirements this year of House members Mike May, Polly Bukta and Roger Wendt will mean that advocates will need to start grooming a new group of House members to try to take on this issue.

Your Advocacy Toolkit:

[Grassroots Action Center](#)
[Bill Tracker](#)

Your Capitol Team

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