

LET'S TALK TOURISM

Iowa Legislative Report Capitol News Issue # 7

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Monday, April 18th will mark the 99th day of the 2011 Legislative Session, a session scheduled for 110 days in length. Whether or not they finish their work and adjourn for the year by the April 29th target remains to be seen. Legislative leaders have indicated to media that the 29th is reachable, but it would require a lot of pieces to fall into place very quickly.

Some of the big outstanding issues the Legislature still needs to tackle include ALL of the budget bills, a proposal to reform the State's Mental Health Care System, a proposal on Nuclear Power, whether or not to pass any allowable growth increase for schools, commercial property tax reform, whether or not to establish a taxpayer relief fund and how to address preschool.

An issue that is not hanging over the Legislature anymore is **redistricting**. The House and Senate both brought up and quickly passed the first redistricting map proposal early on Thursday morning with little comment. The votes were resounding - 90-7 in the House and 48-1 in the Senate - and the bill (HF 682) now heads to the Governor, who is expected to sign it. Redistricting was seen by many as a wild card issue that could easily push the legislative session deep into overtime.

Publication Note - Since there may be only two weeks remaining, this will be the last regularly scheduled edition published. We will publish again at the end of the session. In the meantime, be watching for issue alerts as decisions begin to take shape. Also, keep checking the Bill Tracker, as that will continue to be updated daily.

→ **Keep Advocating!!**

In recent weeks, we have made several pleas to TFI members to contact legislators in support of several programs that are slated to see deep cuts in the budget bills proposed by the Governor and the House. As of today, 35 TFI members had sent 243 messages through TFI's Action Center, and numerous other members sent messages to their legislators directly.

We urge you to stay at it! The clock is starting to run out on the legislative session and decisions need to be negotiated in the days ahead. While it may seem frustrating and appear that you aren't making any progress, **your advocacy is going to give us a shot** at keeping some funding in place for some of these programs.

Call or e-mail the Governor AND your legislators TODAY!! If you have already done so, do it again AND recruit two more people to do so as well!

Just go to TFI's Grassroots Center [HERE](#)

Remember! The current Infrastructure Budget bill ([House File 648](#)) includes the following cuts:

- Zeroes out the \$10 Million River Enhancement Community Attractions and Tourism (RECAT) Program
- Reduces the Community Attractions and Tourism (CAT) program funding from \$12M down to \$5 Million
- Reduces the Environment First Fund allocation by \$9 Million
- Zeroes out the \$500,000 funding for Regional Sports Authorities
- Deappropriates \$10.7 Million for passenger rail over this and next fiscal year
- Zeroes out the Grow Iowa Values Fund that funds many DED programs

→ **Marketing Expenditures Bill**

The House Appropriations Committee introduced and quickly passed out a bill ([HSB 238](#), which will receive a new bill number) this week to create a state marketing and advertising expenditure task force that would be staffed by the CEO of the Iowa Lottery, and would include the director of the department of economic development,

the director of the department of public health, the president of the Iowa board of regents, and the president of the Iowa state fair authority.

TFI lobbyists were among several attendees at the subcommittee meeting on this bill. The biggest concern of most in the lobby was that this effort is not in any way aimed at taking over the marketing operations and decision-making of each of the departments involved. DED's marketing objectives would be entirely different than the other departments listed. In fact, DED itself works with two different marketing companies, both of which have a much different focus, target and mission, and both of which are essential partners for the department.

This effort was born out of a provision House File 45 that passed early in session that originally required state agencies to work with ONE marketing agency. Legislators quickly determined that the various state agencies use marketing in entirely different ways. This bill is instead focused on just having the players come together to compare notes about their advertising and see if they can get any efficiencies in purchasing by going in together on projects. Legislators made very clear in the subcommittee that this effort is IN NO WAY aiming to move toward a centralized marketing effort.

→ IPEP Update

Legislation ([HF 590](#)) to convert the Iowa Department of Economic Development into a public-private partnership has seen little activity over the last two weeks. However, most legislators believe the bill is not in trouble and will be refined a little more and passed in the waning days of the session. Cynics would say that such a big priority of the Governor's needs to be held up until some more agreements are made on budgets, but legislators will tell you that such a large change to a major state agency requires more due diligence and fact-checking before simply passing it.

→ Property Tax Reform

The week before last, the Senate rolled out SSB 1205, which would create a \$50 million fund that would pay for a tax credit on the first \$32,000 or so of assessed commercial property. This is estimated to equal about \$600. The \$50 million fund could increase by \$50 million

a year IF the increase in state revenues exceeds 4% (up to a total of \$200M). This bill was voted out of the Senate Ways & Means Committee unanimously earlier in the week and the newly numbered [SF 522](#) was passed 46-4 by the Senate and is now in the House.

As a refresher on the other two bills, the Governor's bill ([HSB 129](#)) would roll back the amount that can be assessed on commercial property by 8% per year for five years, until it hits 60%. New commercial property would be assessed at 60% from the start.

The House commercial property tax bill ([HF 671](#)) would phase out the local property tax levy for schools and fund it by the state (thereby reducing property taxes by having the state take over the local part). The bill would also tie the commercial and industrial property taxes into the tie between agricultural and residential property. This would limit how much any one class can increase in a single year. This bill originally contained the Essential Services provision, but it was stripped from the bill during committee passage.

With session winding down, it's anyone's guess what happens. Most likely, a discussion will take place between the Governor and legislative leadership sometime in the weeks ahead about which components of each of these bills they can agree to support in a consolidated bill. It is also possible that they are simply unable to agree on a compromise, though this outcome appears less likely since each party has demonstrated their commitment to this issue by proposing a bill. If you have strong opinions about one of the bills or certain components, be sure to contact your legislators!

Your Advocacy Toolkit:

[Grassroots Contact Center](#)

[Bill Tracker](#)

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

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