



## Iowa Legislative Report

83rd Iowa General Assembly

IA Speech-Language-Hearing Assn

Week 11: March 23 - March 27, 2009

Paula Feltner & Mike Heller, Lobbyists

**Week 11** began ominously as legislators faced the fact that revenue estimates for the state have plummeted **another estimated \$400 million** for this year (FY 2009) and next year (FY 2010). The Revenue Estimating Conference met Friday estimated that the current year's revenues will sink by **\$129.7 million** compared with its December estimate. Revenue for the budget year that begins July 1 will drop by an estimated **\$269.9 million**. What's more, Holly Lyons, the director of the Legislative Services Agency and a member of the conference was asked if the economy in Iowa had "bottomed out" and answered "in my opinion, no".

**Adjustments are mandatory** and there are very few options left for FY09. It is hoped that money from the Federal Stimulus Package will be used to alleviate the current year budget problems. It is unclear at this time whether that will be possible. The fiscal year ends June 30<sup>th</sup>, which is only thirteen weeks.

For the FY10 budget the **Governor is required to submit a new budget within 14 days of the REC meeting** (April 3<sup>rd</sup> or before). Rumors have it that the legislature will get it this next Monday or Tuesday. In the meantime, legislative leadership has already begun working on their own budget and haven't waited for the Governor. Remember that democratic leadership in the legislature already planned a budget that was \$130 less than Culvers for FY 2010 but this week will have to figure out how they will cut the budget by an additional \$270 million in the current and upcoming years.

We expect to see the first draft of the Health and Human Services budget early this next week – no formal budget subcommittees have been held at this point. The first one will be this next Monday afternoon, March 30<sup>th</sup>. We have been told by leadership and our friends that they will not be able to "spare" child welfare. They only hope to ensure that we don't get as deep a cut as everyone else. It does not appear they are just doing an across-the-board cut with this budget. Obviously we will let you know as soon as we see preliminary figures.

Democratic leaders in both the House and the Senate issued a joint statement Friday that promised no tax increases will be proposed as a result of the most recent estimates. While many Iowans heaved a sigh of relief, this also means that all cuts will come out of programs that every Iowan benefits from in one way or another.

The Democrats proposed ending federal deductibility as part of a package of tax cuts aimed at helping the middle class. The bill ends federal deductibility and correspondingly lowers all tax rates enough to make the overall change revenue neutral, though most of the people saving under the bill will be making less than \$125,000. Senator Gronstal said that he expects about 2/3 of Iowa taxpayers will see lower taxes.

The bill also increases the percentage for the Earned Income Tax Credit to 8%; doubles the deduction for the elderly and for the blind to \$40, increases the percentage that can be taken for the federal Child and Dependent credit:

- 80% for incomes under \$10,000
- 70%, for \$10,000 to \$19,999
- 60%, for \$20,000 to \$24,999
- 55%, for \$25,000 to \$34,999
- 45%, for \$35,000 to \$39,999
- 35% for \$40,000 to \$44,999
- 30%, for \$45,000 to \$49,999

Incomes after \$50,000 get no percentage of the federal credit in the first year, but the income levels will be indexed for future years.

Tax Brackets and Rates			
From	To	Current Rates	Proposed Rates
\$0	\$1,407	0.36%	0.30%
\$1,407	\$2,814	0.72%	0.60%
\$2,814	\$5,628	2.43%	2.04%
\$5,628	\$12,663	4.50%	4.23%
\$12,663	\$21,105	6.12%	5.49%
\$21,105	\$28,140	6.48%	5.49%
\$28,140	\$42,210	6.80%	5.80%
\$42,210	\$63,315	7.92%	6.12%
\$63,315	or more	8.98%	6.98%

Democrats estimate that ending federal deductibility will bring in about \$595 million; they put \$590 million into the middle class tax cuts and \$5 million into the credits and deductions.

Legislative leaders continue to shoot for an adjournment prior to the Easter Holiday weekend. One indication of how intense legislative leaders are on getting out in a timely manner was the acceleration of the funnel system – leaders decided that most bills had to be out of committee in the other chamber by today to remain eligible for consideration this session. This is two weeks earlier than the scheduled date and committees met virtually non-stop in an attempt to meet the deadline.

These are the bills “remaining in play” that we have been following /working on for you. If you have questions, please call. We will see you Monday afternoon and please email me the info re: other state ASAP. Thanks.

[Senate File 396](#)

A bill for an act requiring a yearly review of legislation and current state laws that contain health care benefit mandates and providing an effective date. (Formerly [SF 317](#).)

Mar. 10 09 Committee report, approving bill. [S.J. 595](#).

Mar. 17 09 Amendment [S-3087](#) filed. [S.J. 695](#).

Mar. 19 09 Fiscal note. SCS.

Sponsored by Commerce.

[Senate File 389](#)

A bill for an act relating to health care, health care providers, and health care coverage, providing penalties, and providing retroactive and other effective dates. (Formerly [SF 48](#).)

Mar. 24 09 Subcommittee, Smith, Heddens, and Upmeyer. [H.J. 1026](#).

Mar. 27 09 Committee report, recommending amendment and passage. [H.J. 1056](#).

Mar. 27 09 Committee amendment [H-1324](#) filed. [H.J. 1056](#).

Sponsored by Human Resources.

[Senate File 153](#)

A bill for an act to allow medical or osteopathic physicians, physician assistants, and advanced registered nurse practitioners to form limited liability companies or professional corporations. (Formerly [SSB 1092](#).)

Mar. 20 09 Message from Senate. [H.J. 911](#).

Mar. 23 09 Read first time, referred to Human Resources. [H.J. 942](#).

Mar. 24 09 Subcommittee, Hunter, L. Miller, and Smith. [H.J. 1025](#).

Sponsored by Human Resources.

**Senate Study Bill 1280**

A study bill for an act relating to and making appropriations for health and human services and including other related provisions and appropriations, and providing effective, retroactive, and applicability date provisions. 03/02/09  
Subcommittee:Hatch, Ragan, Johnson

LSB  
1013XG [Senate Study Bill 1280](#)

[House File 314](#)

A bill for an act relating to health-related activities and regulation by the department of public health and making penalties applicable. (Formerly [HSB 50](#))

Mar. 23 09 Passed Senate, ayes 49, nays none. [S.J. 784](#).

Mar. 23 09 Immediate message. [S.J. 788](#).

Mar. 23 09 Message from Senate. [H.J. 951](#).

Sponsored by Human Resources.

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**Education Bills**

[Senate File 445](#)

A bill for an act relating to teacher compensation by requiring school corporations to incorporate teacher compensation into individual salary schedules and by eliminating

the educational excellence program. (Formerly [SF 314](#).)

Mar. 20 09 Read first time, referred to Education. [H.J. 914](#).

Mar. 24 09 Subcommittee, Wendt, Dolecheck, and Steckman. [H.J. 1027](#).

Mar. 25 09 Committee report, recommending passage. [H.J. 1037](#).

Sponsored by Education.

#### [Senate File 424](#)

A bill for an act providing time off from work to attend presidential precinct caucuses and making penalties applicable. (Formerly [SF 125](#).)

Mar. 23 09 Read first time, passed on file. [H.J. 945](#).

Mar. 23 09 Amendments [H-1241](#), [H-1242](#), [H-1243](#), [H-1244](#), [H-1245](#), [H-1246](#), [H-1247](#), and [H-1251](#) filed. [H.J. 992](#). [H.J. 992](#).

Mar. 24 09 Amendment [H-1282](#) filed. [H.J. 1029](#).

Sponsored by State Government.

#### [Senate File 416](#)

A bill for an act providing for the removal of the requirement that two or more public school districts be contiguous in order to utilize financial, administrative, merger and dissolution, open enrollment, and sharing incentives and policies. (Formerly [SF 326](#).)

Mar. 23 09 Message from Senate. [H.J. 974](#).

Mar. 24 09 Read first time, referred to Education. [H.J. 995](#).

Mar. 27 09 Subcommittee, Wendt, Ficken, and May. [H.J. 1053](#).

Sponsored by Education.

#### [Senate File 360](#)

A bill for an act relating to the accreditation of school districts and nonpublic schools and the reorganization of school districts. (Formerly [SSB 1101](#).)

Mar. 18 09 Read first time, referred to Education. [H.J. 857](#).

Mar. 19 09 Subcommittee, Palmer, May, and Wendt. [H.J. 907](#).

Mar. 23 09 Committee report, recommending passage. [H.J. 990](#).

Sponsored by Education.

#### [Senate File 359](#)

A bill for an act relating to the establishment and implementation of a statewide writing assessment for public school students in grades three, six, and ten. (Formerly [SSB 1016](#).)

Mar. 12 09 Fiscal note. SCS.

Mar. 19 09 Referred to Appropriations. [S.J. 772](#).

Mar. 23 09 Subcommittee, Dvorsky and Kettering. [S.J. 781](#).

Sponsored by Education.

#### [Senate File 270](#)

A bill for an act transferring the authority to register postsecondary schools from the secretary of state to the college student aid commission and providing for related matters, and making penalties applicable. (Formerly [SSB 1207](#).) Effective 7-1-09.

Mar. 13 09 Reported correctly enrolled, signed by President and Speaker. [S.J. 651](#).

Mar. 13 09 Sent to Governor. [S.J. 651](#).

Mar. 16 09 Signed by Governor. [S.J. 676](#).

Sponsored by Education.

#### [Senate File 177](#)

A bill for an act relating to requirements for school districts providing transportation to students participating in open enrollment. (Formerly [SSB 1175](#).) Effective 7-1-09.

Mar. 20 09 Reported correctly enrolled, signed by President and Speaker. [S.J. 803](#).

Mar. 20 09 Sent to Governor. [S.J. 803](#).

Mar. 23 09 Signed by Governor. [S.J. 839](#).

Sponsored by Education.

#### [Senate File 81](#)

A bill for an act relating to assisting schools to recover from disaster by changing the approval method for transfers of emergency fund moneys, by modifying certain funding provisions to relate to disaster recovery, and by allowing area education agency boards greater authority to purchase and lease-purchase property. (Formerly [SSB 1013](#).)

Mar. 10 09 Committee report, recommending amendment and passage. [H.J. 759](#).

Mar. 10 09 Committee amendment [H-1129](#) filed. [H.J. 762](#).

Mar. 11 09 Amendment [H-1137](#) filed. [H.J. 770](#).

Sponsored by Education.

#### **Senate Study Bill 1279**

A study bill for an act relating to the funding of, the operation of, and appropriation of moneys to the college student aid commission, the department for the blind, the department of education, and the state board of regents, and providing for related matters. 03/02/09 Subcommittee:Schoenjahn, Dvorsky, Boettger

LSB  
1012XG      [Senate Study Bill 1279](#)

[House File 739](#)

A bill for an act providing for a state research and development prekindergarten through grade twelve school. (Formerly [HF 565](#))

Mar. 17 09    Introduced, referred to Appropriations. [H.J. 819](#).

Mar. 19 09    Subcommittee, Cohoon, Huseman, and Wenthe. [H.J. 905](#).

Sponsored by Education.

[House File 737](#)

A bill for an act allowing school districts affected by a presidentially declared major disaster or a state of disaster emergency to use the previous year's budget enrollments in certain current budget years after the disaster, and providing an effective date. (Formerly [HF 427](#))

Mar. 16 09    Introduced, referred to Education. [H.J. 806](#).

Mar. 17 09    Amendment [H-1182](#) filed. [H.J. 850](#).

Mar. 20 09    Fiscal note. HCS.

Sponsored by Rebuild Iowa and Disaster Recovery.

[House File 732](#)

A bill for an act relating to the duties and operations of the department of education and local school boards. (Formerly [HSB 22](#))

Mar. 23 09    Amendment [H-1275](#) filed. [H.J. 993](#).

Mar. 25 09    Amendment [H-1301](#) filed. [H.J. 1038](#).

Mar. 26 09    Amendment [H-1323](#) filed. [H.J. 1051](#).

Sponsored by Education.

[House File 703](#)

A bill for an act relating to the indicators used to assess the effectiveness of school ready children grants under the community empowerment initiative. (Formerly [HF 357](#))

Mar. 25 09    Message from House. [S.J. 842](#).

Mar. 25 09    Read first time, referred to Education. [S.J. 843](#).

Mar. 26 09    Subcommittee, Schmitz, Appel, and Boettger. [S.J. 874](#).

Sponsored by Education.

[House File 687](#)

A bill for an act relating to certain reporting requirements or actions required of the department of education, school districts, accredited nonpublic schools, and community colleges. (Formerly [HSB 26](#))

- Mar. 24 09 Read first time, passed on file. [S.J. 832](#).
- Mar. 25 09 Referred to Education. [S.J. 847](#).
- Mar. 25 09 Committee report, recommending passage. [S.J. 847](#).

Sponsored by Education.

#### [House File 589](#)

A bill for an act relating to the school calendar and school start dates and providing effective and applicability dates. (Formerly [HF 351](#))

- Mar. 06 09 Introduced, placed on calendar. [H.J. 699](#).
- Mar. 09 09 Amendments [H-1124](#), [H-1125](#), [H-1126](#), and [H-1127](#) filed. [H.J. 713](#).
- Mar. 17 09 Amendment [H-1180](#) filed. [H.J. 850](#).

Sponsored by Education.

#### [House File 282](#)

A bill for an act relating to the funding of school district programs for returning dropouts and dropout prevention. (Formerly [HSB 3](#))

- Feb. 19 09 Subcommittee, Wendt, Forristall, and Steckman. [H.J. 506](#).
- Feb. 24 09 Revised fiscal note. HCS.
- Mar. 17 09 Committee report, recommending passage. [H.J. 850](#).

Sponsored by Education.

#### [House File 233](#)

A bill for an act relating to the disposition of school property and providing an effective date. (Formerly [HSB 4](#)) Effective 3-13-09.

- Mar. 12 09 Reported correctly enrolled, signed by Speaker and President. [H.J. 786](#).
- Mar. 12 09 Sent to Governor. [H.J. 786](#).
- Mar. 13 09 Signed by Governor. [H.J. 816](#).

Sponsored by Education.

#### [House File 221](#)

A bill for an act exempting the instructional support property tax levy of a school district from being collected as part of the incremental taxes paid to a municipality for an urban renewal area and providing for the Act's applicability.

- Feb. 05 09 Introduced, referred to Ways & Means. [H.J. 278](#).
- Feb. 19 09 Subcommittee, Reasoner, Shomshor, and Struyk. [H.J. 505](#).

Sponsored by Schueller.

#### [House File 214](#)

A bill for an act establishing the interstate compact on educational opportunity for military children and providing an effective date. Effective 3-26-09.

Mar. 24 09    Reported correctly enrolled, signed by Speaker and President. [H.J. 1023](#).

Mar. 24 09    Sent to Governor. [H.J. 1023](#).

Mar. 26 09    Signed by Governor. [H.J. 1052](#).

Sponsored by Veterans Affairs.

#### [House File 156](#)

A bill for an act providing an appropriation for a pilot project to implement a child care center that operates twenty-four hours per day, seven days per week.

Jan. 29 09    Introduced, referred to Appropriations. [H.J. 211](#).

Feb. 11 09    Subcommittee, Heddens, Gayman, and Heaton. [H.J. 367](#).

Sponsored by Reichert.