

Royd Chambers
STATE REPRESENTATIVE
Fifth District
Statehouse: (515) 281-3221
e-mail – royd.chambers@legis.state.ia.us

HOME ADDRESS
1001 7th Street
Sheldon, IA 51201
Home: (712) 324-2694



House of Representatives
State of Iowa
Eighty-Fourth General Assembly
STATEHOUSE
Des Moines, Iowa 50319

COMMITTEES
Appropriations
Education
Veterans Affairs,
Chair

APPROPRIATIONS SUBCOMMITTEE
Transportation, Infrastructure and
Capitals

FOR IMMEDIATE RELEASE: Mar 4, 2011

Contact: R. Chambers: 712-324-2694

Long Overdue Collective Bargaining Reform

House Study Bill 117 is the collective bargaining reform bill that seeks to restore the balance in bargaining between the taxpayer and public unions. Of course, unions and the democrat party claim this is an attempt to end collective bargaining in Iowa, which is not true. This bill leaves alone the vast majority of items that can now be bargained. The list that can still be bargained for includes: wages, hours, vacations, holidays, leaves of absence, shift differentials, overtime compensation, supplemental pay, seniority, transfer procedures, job classifications, health and safety matters, evaluation procedure, in-service training, and other matters mutually agreed upon.

I will try to describe the majority of proposed changes without getting too long. For example, when negotiations go to arbitration, current law allows an arbitrator to only consider the employers position or the union position without consideration of the taxpayer burden. Among the changes the bill proposes is allowing an arbitrator to choose a position in between the two positions, not just an either-or scenario. One of the biggest fears of management, and the reason to avoid arbitration is the real perception that, given what an arbitrator is currently allowed to consider, management is likely to lose. I think this is reasonable when the taxpayer is paying the bill.

In addition, the bill proposes that negotiations exclude insurance from collective bargaining. This would allow the state to make all decisions concerning the insurance it provides and the portion for which the state pays. Iowa is one of few states that provide free insurance to its employees. Eighty-four percent of state employees pay **no** premiums for their health insurance! (That number excludes most K-12 teachers, who do pay substantial amounts for their insurance, and are not “state” employees, just to clarify.) But in the case of state public employees, the taxpayer is forced to pay for what most people in the private sector pay for themselves. The state should be allowed to provide an insurance plan that strikes a balance between fair coverage and taxpayer cost.

Another proposal concerns procedures for staff reductions. This would give the ability for management to make the best decision about who the best employee is and not have to make decisions solely based on seniority.

The proposal I am most excited about is the proposed creation of a ‘free agent employee’. This would be an individual who decides that he/she does not want to be represented by a union

and would like to bargain their contract individually. When the current collective bargaining law was adopted back in the 1970's, unions agreed that they would represent **ALL** employees in a bargaining unit, even if that individual is not a union member. Democrats attempted to force these non-union individuals to pay a 'fair share fee' in recent years claiming the union should be paid for services. This bill provides an opportunity for those who do not wish to be represented by a union, to go it alone and waive rights to any representation by the union. This should solve the problem for unions who do not like to bargain for non-union workers. Of course, unions don't like this because it would destroy their monopoly on bargaining powers.

As the bill moves to the House floor, a public hearing has also been scheduled for Monday evening, March 7 at 6:00 p.m. The two hour hearing will hear from both supporters and those in opposition to the bill. Those wishing to speak at the hearing may sign up through the Legislative Information Office at (515) 281-5129.

More Tax Relief for Small Business passes the House

Senate File 209 which couples Iowa tax law to the Federal tax code for changes made between January 1, 2008 and January 1, 2011 passed the House with a vote of 64-34.

The Legislature, which has chosen not to couple the past few years, has been a source of frustration not only for taxpayers but for tax preparers as well. This bill will help tax filing and record keeping simpler for all Iowans.

The Federal changes include the repeal of the limitation of itemized deductions, expands the child and dependent care credit, maintains the student loan interest deduction and increases limits on Section 179 expensing for business. In addition, teachers can take a deduction for classroom supplies.

The original Senate File only allowed individuals and corporations to couple with the federal tax code beginning January 1, 2011. The House amended the bill to allow individuals and corporations to couple with tax years beginning on January 1, 2010. In addition, the House amended bill allows businesses to take enhanced bonus depreciation for tax years 2010 going forward.

Enhancing bonus depreciation encourages firms to accelerate otherwise planned investment spending forward – thus giving the economy a much needed boost. Businesses will get deductions for machinery, equipment, software and other items to grow their business. This will help spur job growth all over the state at all income levels. With over 100,000 Iowans still out of work this bill delivers a \$311 million lift to the Iowa economy over the next three years.

The original Senate File included an increase to the Earned Income Tax Credit from 7% to 10%. House Republicans voted to keep the EITC at the current level of 7%. The previously approved 20% income tax cut provides more tax relief for workers earning \$40,000 or less than the original Senate File. House Republicans are not opposed to increasing the EITC. However any discussion of the EITC must be done in conjunction with a discussion of the 20% income tax cut to ensure that ALL Iowans see tax relief.

The 20% across the board income tax cut helps 497,000 Iowans (earning \$40,000 or under) while providing them \$74.9 million in tax relief.

The original Senate bill provided 240,000 Iowans (earning \$45,000 or less) with \$44 million in tax relief.

The bill, which also contained appropriation provisions, heads back to the Senate.

Track what is going on at the legislature by going to <http://www.legis.state.ia.us/>

Contact me any time in the Iowa House by calling 515-281-3221 to leave a message, or by e-mail at royd.chambers@legis.state.ia.us Royd Chambers of Sheldon represents House District 5, which consists of O'Brien, Osceola, the rural parts of Clay, and 4 townships in Sioux County.