



“Be sure you put your feet in the right place, then stand firm.” - Abraham Lincoln

Friday, May 14, 2010

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Appropriations

(Contact Lon Anderson at 1-5184.)

General Fund Revenue Above REC Estimate FY10

On May 3, 2010, Fiscal Services released the revenue numbers for the first ten months of the fiscal year. As was the case in March, receipts through April were above the estimate set by the REC.

Through April, year-to-date revenue growth is -\$211 million, or -4.6 percent compared to actual FY 09. The new REC estimate for the entire year is -\$500.5 million, or -8.7 percent.

While this is proof that the REC set a very conservative estimate for FY 2010, it does not necessarily mean the state has recovered from the recession. In fact, if the fiscal year ended today, the -4.6 percent decrease in general fund revenue would be the largest year-to-year decrease since the 1930's.

“..the -4.6% decrease in general fund revenue would be the largest year-to-year decrease since the 1930's ”

Personal income tax revenue decreased year-to-date by \$81.1 million, or -3.0 percent compared to FY 09. By subcate-

gory, withholding payments increased \$10.3 million (0.5 percent), estimate payments were down \$56.3 million (-16.8 percent), and payments with returns decreased \$35.1 million (-14.6 percent). The REC estimate for income tax revenue is -5.8 percent compared to FY 09.

Sales and use tax receipts decreased by \$47 million, or -2.5 percent. The REC estimate for sales tax revenue is -3.8 percent compared to FY 09. Corporate income tax decreased by \$11.6 million, or -3.6 percent. The REC estimate for corporate income tax revenue is -12.8 percent.

Under the current balance sheet, the FY 10 ending balance is projected to be \$101 million. If the fiscal year ended at the end of April, there would be an additional \$186 million in revenue above the REC estimate. That would flow through the ending balance to replenish some of the \$267 million that was appropriated out of the Cash Reserve Fund for FY 2011 ongoing general fund obligations.

While it is too early to say Iowa's economy has turned the corner, the REC deserves credit for establishing a conservative estimate as it appears gross general fund revenue will exceed that estimate.

Agriculture

(Contact Lew Olson at 1-3096.)

\$2M Available for Water Quality/Flood Prevention

On Wednesday, May 12, 2010, Iowa Secretary of Agriculture Bill Northey issued a press release urging eligible groups to apply for project grants that improve water quality and help prevent flooding. A total of \$2 million in grant funds are available to local watershed improvement committees, soil and water

conservation districts, public water supply utilities, county conservation boards, cities and counties.

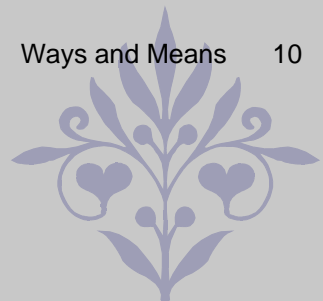
Projects eligible for funding include, but are not limited to, those addressing:

- agricultural runoff and drainage

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- flood prevention
- stream bank erosion
- municipal discharge
- storm water runoff
- unsewered communities
- industrial discharge
- livestock runoff

Each project can request up to \$200,000 in funding over four years. There are several new guidelines that are part of this Request for Applications (RFA). The funds come from Capital Revenue Bonds, which have

“Each project can request up to \$200,000 in funding over four years.”

several restrictions. These restrictions prevent funding for indirect costs, information and education activities, and salary and benefits for general administration and project management. Potential applicants should review the RFA in full at www.iowaagriculture.gov/IWIRB.asp to make sure their proposal qualifies.

All applications are due on Thursday, July 1, 2010 and will be reviewed by the Water-

shed Improvement Review Board. The Board is comprised of representatives from agriculture, drinking water and wastewater utilities, environmental organizations, agribusiness, the conservation community along with two state senators and two state representatives. A funding announcement is expected to be made in August. Application materials can be downloaded from the Iowa Department of Agriculture and Land Stewardship website at www.iowaagriculture.gov/IWIRB.asp. To receive more information or ask questions, contact Jerry Neppel at 515-281-3599.

CSP Sign-up Deadline Just One Month Away

On Tuesday, May, 11, 2010, U.S. Agriculture Secretary Tom Vilsack announced landowners nationwide are invited to apply for USDA's Conservation Stewardship Program (CSP). The program, according to a USDA report, offers payments to producers who maintain a high level of conservation on their land and who agree to adopt higher levels of stewardship. Eligible lands include cropland, pastureland, rangeland and non-industrial forestland. The deadline to be considered for the next ranking and funding period is June 11, 2010. Secretary

Congress limited enrollment for CSP nationally at 12.7 million acres per year. Applicants will compete within state-identified ranking pools. CSP is offered in all 50 states. Eligible producers may submit an application to enroll eligible land in CSP on a continuous basis. Producers are encouraged to apply for CSP now to ensure their applications will be considered during the next funding and ranking period. However, they can make their final decision to participate in the program once the CSP final rule is issued. The final rule will establish the policies and procedures for the program.

Persons interested in becoming part of CSP, USDA officials recommend filing the CSP self-screening checklist to determine if the new program is suitable for your operation. The checklist highlights basic information about CSP eligibility requirements, contract obligations and potential payments. It is available from local USDA Natural Resources Conservation Service offices or at the NRCS website (http://www.nrcs.usda.gov/programs/new_csp/csp.html)

Commerce

(Contact Brad Trow at 1-3471.)

Iowa Agrees To Run High Risk Pool

Iowa Governor Chet Culver announced on April 30 that the state of Iowa had agreed to operate a new high risk pool for uninsured lowans. The high risk pool was created to provide a temporary source of coverage for Americans who are unable to get insurance due to having a pre-existing condition. Under the new law, a person who has a pre-existing condition and has gone without health care coverage for six months would qualify for the high risk pool. The monthly premium would not exceed the

average cost of basic health insurance for person of that age.

There was some doubt as to whether the state would agree to run the program or allow the federal government to administer it. Iowa's funding for the 3 and a half years the program will run is just \$35 million. The Iowa Insurance Division has estimated that this would allow the state to provide coverage to only 1,000 citizens during that time. The General Accountability Office has esti-

mated that there are 34,500 lowans eligible for this program. It is unknown how Governor Culver will provide coverage to those who sign up for the program after the funding runs out.

Under the health care reform act, the program is to be up and running by July 1. Details on how the program is to be set up and operated have yet to be provided to the states.

Senate Votes to Maintain Federal Reserve Authority Over Community Banks

As the United States Senate continues to trudge through amendments on a bill en-

acting far-reaching changes to the financial industry, one segment won an important

victory on Wednesday. By a 90-9 vote, the

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Senate stripped out language that removed the Federal Reserve's authority over community banks.

In the bill draft, Senate Banking Committee chair Christopher Dodd proposed to dra-

matically reduce the Fed's regulatory role. Dodd would have limited their authority to just those banks with more than \$50 billion in assets. Oversight of the smaller banks would have been given to other federal agencies.

The amendment restoring the Fed's author-

ity over all banks was strongly supported by organizations like the American Bankers Association and the Independent Community Bankers of America, who had argued that it was critical for the Federal Reserve to maintain connections to Main Street banks.

Cash for Caulkers – the Sequel

With some lowans still grumbling about the way that Governor Culver and the Office of Energy Independence bungled government rebates for new appliances, the Congress is ready to try again with another program to stimulate the economy. Last week, the U.S. House of Representatives passed the Home Star Energy Retrofit Act. The new program would provide almost \$6 billion over the next two years in savings and rebates to consumers who upgrade their homes energy efficiency.

The new program is on top of the \$4.7 billion provided by Congress in the 2009 economic stimulus bill for home weatherization. Most of these funds have yet to be spent by the states. Providing additional

funds for the same purpose was a major focus of the objections to the bill from Congressional Republicans.

Under Home Star, rebates or discounts would be provided to homeowners at the time of sale. The retailer or contractor then would submit documentation to a processing office which would verify the information and forward the request to the Energy Department for payment. To prevent fraud, the program would require licensing for all participating contractors and a certain percentage of projects would be inspected.

Home Star has two different efficiency programs. The Silver Star program provides upfront rebates of up to \$3,000 for specific

energy-efficient improvements in homes, such as installing energy-efficient appliances or duct sealing, insulation or new windows or doors. A Gold Star program would entitle people to up to \$8,000 when they conduct comprehensive energy audits and implement measures that reduce energy use throughout their homes by more than 20 percent.

While the House passed the bill, it still must be reconciled with the Senate. It is unknown at this time who would be administering the program if approved. Many lowans probably would like to have some input in that decision, so that the failures of this winter's rebate program are not repeated.

Economic Growth

(Contact Matt Hinch at 1-3298.)

Economic Growth Bills Become Law – But Do They Grow The Economy?

Few Economic Growth bills were passed by the House and Senate and sent to the Governor during the 2010 legislative session. Recently, the deadline for Governor Culver to sign legislation into law expired. The bills that did make it to his desk were signed, but did any of the committee's work help grow the economy or create jobs? Regrettably, the answer appears to be no. Below is a list and brief descriptions of bills that the committee considered during the 2010 legislative session that were signed into law.

Senate File 2076 – IDED Policy Bill

The law makes changes to eligibility requirements for participation in the Iowa internship program. Students who graduated an Iowa high school but attend a college or university in another state are now

eligible to participate in this program. The law also staggers the terms IDED board members serve and requires the Board of Regents to report their use of the Grow Iowa Value Funds dollars to the General Assembly.

The House passed Senate File 2076 by a vote of 93-0 on February 8, 2010. Governor Culver signed it into law February 23, 2010.

House File 2076 – Iowa Innovation Council

The law consolidated three informal councils within the Department of Economic Development and established the Iowa Innovation Council. The new council will focus on innovation and entrepreneurship in targeted industries and serve as a forum for collaborative relationships between the

research community, targeted industries and policymakers.

The House passed House File 2076 by a vote of 100-0 on February 4, 2010. Governor Culver signed it into law March 19, 2010.

House File 2370 – Enterprise Zone Application Extension

The law extends the deadline for the certification of new Enterprise Zones to July 1, 2012.

The House passed House File 2370 by a vote of 93-0 on February 18, 2010. Governor Culver signed it into law April 14, 2010.

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House File 2376 – Severance and Annexation of Property

The law allows voluntary severance and annexation of real property between two municipalities. The law allows them to enter into an agreement to share property tax revenue and zoning rights.

The House passed House File 2376 by a vote of 99-0 on February 16, 2010. Governor

nor Culver signed it into law March 2, 2010.

House File 2449 – Small Businesses Owned by Disabled Veterans

The law requires the Department of Economic Development to encourage and assist businesses owned by disabled veterans.

The House passed House File 2449 by a vote of 98-0 on March 2, 2010. Governor Culver signed it into law March 16, 2010.

House File 2488 – Young Adults on Boards and Commissions

The law encourages the appointment of young adults to state boards and commissions.

The House passed House File 2488 by a vote of 93-2 on February 24, 2010. Governor Culver signed it into law March 19, 2010.

Education

(Contact Ann McCarthy at 1-3015.)

What Makes a Good Teacher?

Bill Gates invested \$335 million last year to find out how to make K-12 teachers more effective. In making the announcement he said, “Unfortunately, it seems the field doesn’t have a clear view of what characterizes good teachers. I’m personally very curious.”

Enter Doug Lemov, a 42-year-old teacher of teachers, and his new book “Teach Like a Champion: The 49 Techniques that Put Students on the Path to College.”

Technique No. 1 is “No Opt Out. How to move students from the blank stare or stubborn shrug to giving the right answer every time.” His book is a dictionary of tips on how to get kids to pay attention in class.

Lemov founded and still runs Uncommon Schools, a network of 16 charter schools in the Northeast. These charter school teachers receive incentive pay and use simple teaching strategies. Lemov’s curiosity to get students to follow his directions on the first try launched a five years of research video taping teachers across the county.

Mr. Lemov’s philosophy is simple: Students can’t learn unless the teacher succeeds in getting them to follow instructions. His book crisply describes the crystal clear logic of classroom management that frequently get lost in the flurry of lesson plans or muddled in the halls of academia.

All of Lemov’s techniques rely upon reading the students’ point of view. He asserts

that students pay attention not because the teacher has charisma but because the teacher is being direct and specific.



“...students pay...because the teacher is being direct and specific.”

“Please get your things out for class,” doesn’t move kids. In fact the teacher almost always ends up chiding students for non-compliance or misbehavior.

Instead Doug Lemov shows a video clip of a teacher using a technique called “Build Momentum/Narrate the Positive” that creates a literal wave of change across the classroom. It involves simple instruction with positive framing. Something we could all benefit from regardless of our environment.

A teacher’s control, he says, should be an exercise in purpose, not power. So you get technique No. 45, the “Warm/Strict” in which a correction comes with a smile and an explanation for its cause. – “We don’t do that in this classroom because it keeps us from making the most of our learning time.”

Technique No. 22 is Cold Call, is in honor of the Harvard Business School. Here students don’t raise their hands. The teacher asks the question first and then says the student’s name forcing every student to work through the answer.

Experts praise the common sense tactics. Dacia Tool, executive officer of Achievement First, says: “Doug Lemov has captured in one place the specific, practical techniques used by the best teachers in some of our country’s best urban schools. Any teacher, principal or policymaker who is interested in what it takes on a classroom level to close the achievement gap should read this book.”

David Levin, co-founder of Knowledge is Power Program, praises the book for “pulling back the wizardry of the most successful teachers in a collection of clearly explainable and learnable techniques.”

Lemov proves that professional development doesn’t have to be a complicated illusory concept. “Teach Like A Champion” comes with a DVD of 25 video clips of teachers demonstrating the techniques in the classroom. [Find it here.](#)

Government Oversight

(Contact Jason Chapman at 1-3440.)

Changes at the IASB

The break out of information from the Iowa Association of School Boards earlier this spring caused a knot in their operations. For a time they were without an executive director, a chief financial officer, and a legal counsel or in other words, their entire executive team. The result of the media and legislative attention has caused the organization to look closely at their operational procedures and make changes accordingly. Here are a number of changes that the association has implemented recently to ensure tighter oversight:

Staffing and Board Member Changes

- Former Executive Director: Executive Director Maxine Kilcrease was fired after a brief period of time on suspension. She was put on paid leave March 11th pending an investigation into allegations that she raised her annual salary without the board's knowledge or consent, and then fired on March 25th.
- Temporary Executive Director: Harry Heiligenthal, Leadership Development Director on staff with the IASB, served briefly as interim director.
- Interim Executive Director: A new Executive Director was hired on May 1. Veronica Stalker will serve as interim Director from May 1 to December 31, 2010. She has been involved in education in Iowa since 1976, included time spent on school boards and working with IASB programs, and will help in the transition to the appointment of a new executive director at some point in the future.
- Board Member Changes: Jack Hill, former Board president, retired from the Board. He was involved in the contract signing of former ED Kilcrease's salary increase.

Policy and Control Changes

- Transferring Money within the Associa-

tion: Some consternation with the organization stemmed from internal transfers of money that were approved by only one person. A new policy says that all transfers to or from a fund under IASB control must be approved by two of the following three people: executive director, board president, and board treasurer

- Creation of an Audit Committee: One of the allegations at the IASB is that the former ED prevented access to the Board for the outside auditing company. To combat that, a committee has been setup consisting of 5 members of the Board that will work to monitor and oversee IASB's financial process, policies, and controls. They will meet quarterly with external auditors.
- Travel Policy: Travel has been an issue within the IASB as well, as the former ED was given advice from the previous ED to take advantage of trips on the IASB's dime. The new, like the old, policy outlines what events staff and board members will be reimbursed for and how much will be reimbursed. A Travel Expense Report is required and travel must be related to their position, duties, and responsibilities. The only change made is that spouses and other family members are not considered eligible for reimbursement by the IASB.
- Credit Card Policy: A source of headlines among the problems at the IASB was the vacation paid for with an IASB credit card by former CFO Kevin Schick. The new policy removes the ability of Board members to use the credit card and specifies that IASB employees shall not use the credit card to purchase personal items.
- Staff Salaries: Previous IASB policy was that the ED was given a lump sum for staff salary allotment and it was up

to the ED to divvy that up among the employees. Board approval was given only for the lump sum. The former ED reportedly increased the salaries of several staff members upon her arrival, while firing at least one other employee for lack of money in the budget. New policy now requires the Board to set and approve salaries for all staff.

IASB Membership and Programs

- Membership Dues: School boards pay a membership fee to the IASB every year to receive access to a number of services valuable to school boards. These services include legal consultation, financing advice and education, workshops, presentations, etc. The Board of Directors voted to decrease membership dues by 5% to help schools meet their budgets easier.
- Repayment of Federal Grant Double Drawdown: One of the IASB's programs, Skills Iowa, receives federal grants on a regular basis. An accounting error on the part of a new staff member led to a double draw-down of federal funds in the amount of nearly \$500,000. After reviewing the issue, the IASB Board has determined it was a true mistake and the money was repaid to the federal government on April 14, 2010.

It appears that the IASB is working its way through the problems the association has faced recently and is making appropriate changes. Staff who contributed to these problems are gone and the association is in the process of finding replacements. Policies that were unacceptable or unclear have been changed. While more work needs to be done, the association is at least on a path towards recovery.

Human Resources

(Contact Brad Trow at 1-3471.)

Nursing Home Quality Assurance Assessment Goes Into Effect

The Iowa Department of Human Services has received federal approval to implement a new funding scheme for Iowa's nursing homes. The Nursing Home Quality Assurance Assessment, enacted into law in 2009, was given final approval by the Centers for Medicare and Medicaid Services on March 24. Notification of the approval was provided to the Legislature on May 13.

The new program, which imposes a daily bed fee on most nursing homes, began on April 1. The cost of the initial payment will be paid with funds provided by the state, to ensure that private pay residents do not see their daily rate raised.

How Does the Assessment Work?

Most of Iowa's nursing homes would be assessed a 3 percent fee on each bed day

for a private-pay resident. The plan would not apply the fee uniformly to every nursing home. Some nursing homes would pay less than 3 percent while others would pay the full three percent. A few nursing homes would pay nothing. The fee would generate \$33 million in revenue to the state.

The state would use these funds as the matching funds for additional Medicaid funding for nursing homes. The money would essentially repay nursing homes for the tax amount and provide an additional \$10 per day per Medicaid-eligible resident. Because the state would be getting at least \$41 million in Medicaid funding from the Federal Government, the majority of Iowa nursing homes would get back more money than they paid in for the tax.

There would be some nursing homes that would receive less than their tax amount. It is estimated that the number of nursing homes falling in this category is less than 25 homes. These facilities primarily serve residents that pay for their own care.

The state would not use all of the money generated from the quality assurance fee for the Medicaid match. Almost \$14 million will be received from the assessment funding mechanism will be spent by the Medicaid program in FY 2010. Seven and a half million dollars will be used to offset the cuts made by Governor Culver to nursing homes in his across the board cut from last fall. Also, \$6.4 million is transferred into the Medicaid program.

Judiciary

(Contact Tony Phillips at 1-3026.)

Assistant Attorney General Mary Tabor Named to Iowa Court of Appeals

Governor Culver has named Mary Tabor to the Iowa Court of Appeals. Tabor fills a vacancy on the created by the retirement of Judge Robert Mahan on July 31, 2009.

Tabor had served as an Assistant Attorney General and Director of the Criminal Appeals Division. She is a 1991 graduate of the University of Iowa Law School and had

been with the Attorney General's office since 1993.

The Judicial Nominating Commission had selected three nominees to fill the vacancy on the Court of Appeals. The nominees were Assistant Attorney General Mary Tabor, Marshalltown Attorney Joel Greer, and District Judge Michael Mullins. From this

list, the Governor named Tabor to the court.

The Court of Appeals is an intermediate court, with jurisdiction to hear appealed cases assigned to it by the Iowa Supreme Court. Since 1999, the court has consisted of 9 judges. Those judges stand for retention votes every six years.

Labor

(Contact Lon Anderson at 1-5184.)

Labor Unions Unsure about Kagan's Nomination to U.S. Supreme Court

On May 10, the President nominated Solicitor General Elena Kagan to replace Justice John Paul Stevens on the United States Supreme Court. Because she has never served as a judge, she has a very limited paper trail and that is making both foes and allies of the President very nervous.

According to Lindsay Beyerstein of In these Times (a pro-union web site: <http://inthesetimes.com/>), labor activists and union officials will likely be left scratching their

heads. Kagan's record yields few hints on how she might rule on labor issues.

In 2009, Kagan became Solicitor General of the United States. To date, she has only argued a few cases before the Supreme Court. She represented the government in the recent Citizens United case, arguing that corporations and unions should not be allowed to spend unlimited sums to influence elections.

However, the unions are skeptical that Kagan's personal views match up with the case she argued on behalf of her client (in this case, the US government). Marvin Ammori of <http://balkin.blogspot.com/> says that it is unclear that Kagan's personal views on free speech are consistent with that of the Obama administration. His research of her record (what little of it there is) leads him to conclude that she is in fact, closer to Clarence Thomas on the issue

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than she is to Stevens.

Organized labor was deeply divided over Citizens United, which Kagan and the government lost. The AFL-CIO filed a brief in favor of looser regulations while other un-

ions feared they would not be able to compete with corporations, especially in an age of declining labor union membership.

Beyerstein concludes that Kagan is no liberal stalking horse but rather a centrist who sees eye-to-eye with the President on a number of key issues. Kagan's nomination

proves that if one aspires to be a Supreme Court justice, the best bet is to stay silent on the issues and make friends with powerful people. That strategy doesn't bode well for those watching the Supreme Court from within the labor movement.

Local Government

(Contact Ann McCarthy at 1-3015.)

Better, Faster, Cheaper Service – One More!

The last issue of the House Republican newsletter featured smartphone apps used by local governments across the nation to tag pot holes, track city buses and improve overall government services.

Add Arkansas to the list. That state recently became the first state in the nation that allows residents to verify their voter registration using their iPhone, Blackberry,

Google Android, Windows Mobile and Palm.

To view their registration status and listed address Arkansas residents simply enter their name and date of birth. If they are registered to vote their district and polling place information pops up.

The application allows users to immediately

call their county clerk to report any changes to their specific voter registration or to map the nearest early polling location. For those not registered the appropriate information direct the voter where to go and register in person.

Here's the Arkansas link: https://www.ark.org/sos_voterview_m/m.aspx

Natural Resources

(Contact Lew Olson at 1-3096.)

Rules Panel Quizzes DNR on Controversial Camping Rule

On Monday, May 10, 2010, the Administrative Rules Review Committee (ARRC) questioned the Department of Natural Resources (DNR) on why it was moving forward a change in its definition of "immediate family." Currently, DNR's rules define "immediate family" as "parents, dependant children and grandparents." The new definition reads "'spouses, parents, legal guardians, domestic partnerships, dependant children, and grandparents."

Some legislative members of the ARRC expressed concern that the inclusion of the domestic partnerships term. Regrettably, this redefinition isn't really necessary to accommodate the primary intent of the rule. That intent is accomplished by the second aspect of the proposal, which is to balance overcrowding

and noise at state parks while still accommodating family activities.

Current rules limit occupation of specific non-group camp sites to 6 persons who may use two tents, with the second tent only being used for sleeping by an under-age dependant child. Current rules allow an exception to exceed the number limit for 'immediate families.' However, this existing rule exception still doesn't allow for circumstances where an adult spouse might want to occupy a second tent because of snoring issues, or technically when unrelated adult persons want to share a site, while not sleeping together in the same tent.

The second aspect of this rule addresses this complication, by allowing related adults

to use a second tent. Providing the second tent occupies a space less than 8-feet by 10-feet. During ARRC discussion on this rule, a Republican ARRC member inquired how, if challenged by DNR park personnel, several adults might 'prove' that they are spouses or domestic partners or how DNR would prove that such person don't meet the criteria of immediate family and why does the state care? DNR was not able to offer an immediate response to this inquiry. However, despite these concerns raised by members of ARRC, the Natural Resource Commission approved this new definition of immediate family applying to two identical rules, one dealing with state parks & recreation camping areas and the other dealing with state forest camping areas, on Thursday, May 13, 2010 by unanimous aye-votes.

Rebuild Iowa

(Contact Tony Phillips at 1-3026.)

New Assistance Programs for Disaster Impacted Businesses

Two new programs developed by the Iowa Department of Economic Development (IDED) were recently approved by the U.S.

Department of Housing and Urban Development (HUD). The programs will utilize Community Development Block Grants

(CDBG) funds.

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The Equipment Reimbursement Assistance Program (ERAP) provides funds to aid in the purchase of equipment for businesses that owned their own building or leased rental space during the 2008 disasters.

A qualifying business is one who sustained actual physical damage to machinery, equipment, furniture, inventory or supplies. Additionally, those businesses must be located in a presidentially declared disaster county.

The financial assistance is limited to 75% of the replacement cost of the equipment, and can not exceed a total of \$75,000 per business. Furthermore, no business who

has already received assistance for these particular losses through insurance, federal funding, state or local grants, forgivable loans or private loans may receive ERAP funds.

No business who has received funds through the Business Rental Assistance Program (BRAP) or the Expanded Business Rental Assistance Program (EBRAP) will be eligible for the new program. In-home businesses are also ineligible.

A second program, the Flood Insurance Reimbursement Program, provides funds to reimburse businesses for the cost of one year of flood insurance.

Businesses eligible for this program must have had flood water in their building dur-

ing the 2008 disaster or must be located in the 100-year or 500-year flood plain. A business can be eligible under the flood-plain criteria even if they moved to that location following the 2008 floods.

Businesses may receive a one-time payment for one year of flood insurance coverage under the program, with a maximum award of \$5,000. An eligible policy must fall between January 1, 2010 and December 31, 2010.

According to a May 5th press release from the Rebuild Iowa Office, applications should be made to local Council of Governments or Entitlement cities by December 31, 2010.

State Government

(Contact Kristi Kielhorn at 2-5290.)

Only One Casino Project Given Approval

Only one of four proposed casino projects was given approval at a May 13th meeting of the Iowa Racing and Gaming Commission. Lyon County's proposal was unanimously approved, while proposals from Fort Dodge, Ottumwa, and Tama County were unanimously rejected. The entire evaluation process took approximately six months. It is unlikely that the commission will consider issuing any more licenses for at least three to five years.

The only casino to be granted a license will be built on the border of Iowa and South Dakota (Lyon County). It will cost approximately \$120 million and will include a luxury casino and golf resort. Also included in the plan is a 100-room hotel, spa, events

center, and show lounge. There will be a ten acre lake adjacent to the property. The 207-acre complex will be managed by an Iowa based company—Kehl Management. The complex is tentatively set to open in the summer of 2011. The Lyon County casino is projected to create 700 jobs and have an annual payroll of \$13.5 million. The first year's gambling revenue is projected at \$70 million with a total revenue of about \$80 million.

The other three casinos were unanimously rejected. The rejected Fort Dodge casino was a \$56 million complex that adversaries claimed would compete with and hurt Emmetsburg's existing casino. The rejected Tama proposal included a \$45 million hotel

and casino and was opposed for similar reasons by the Meskwaki Indian Tribe who feared the competition would hurt the current Tama County casino. The last rejected proposal was for a \$55 million casino in downtown Ottumwa. There were concerns voiced about the ability of the developer of this casino to raise the necessary money to construct the facility.

Governor Culver supported approval of all four projects citing job creation and the desire of the residents of those counties as his reasons. The Lyon County casino will be the state's 18th state-regulated casino. Iowa also has two casinos operated by Indian tribes.

Transportation

(Contact Kristi Kielhorn at 2-5290.)

DOT Presents New "Five Year Plan"

This week the Department of Transportation presented a draft of the Iowa Transportation Improvement Program ("Five Year Plan") for 2011–2015 to the Transportation Commission. The plan includes investments in aviation, transit, railroads, trails, and highways. Some of the projects included in the plan simply maintain completion schedules of projects started in previ-

ous five year plans. Other monies are spent in an attempt to spur economic development.

One of the biggest sections of the five year plan contains the primary highway investments. State and federal funds totaling \$2.3 billion will be spent between 2011 and 2015 on right-of-way acquisitions and con-

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struction on Iowa highways. The main com-

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ponents of the highway project is preservation of the existing system and enhanced safety features. More than \$1.2 billion is reserved for these specific purposes. The amount of money spent on Iowa highways is still contingent on any revisions in a federal transportation spending bill.

Examples from Project List:

- o Widen I-35 in West Des Moines from four to six lanes.
- o New interchange on I-80 and US-65 near Altoona (Prairie Meadows).
- o New interchange in Ankeny at NE 36th and I-35.
- o New rest area on I-35 north of Ankeny (to replace existing Ankeny rest area).
- o Completion of four-lane bypass around Fort Madison on US-61.
- o New Missouri River bridge and new alignment of US-34 in Mills County.
- o US-63 widening to four lanes in Bremer County.
- o Widen US-20 to four lanes in western Iowa.

A full draft of the five year plan can be found at DOT Website for public comment. The Transportation Commission will consider approval of the five year plan at a June 8th meeting in Fort Madison.

Veterans Affairs

(Contact Jason Chapman at 1-3440.)

County Veteran Service Officer Training

This past week a hiccup in the continuing education training for County Veterans Service Officers caused a lot of confusion and consternation among the veterans community. After reviewing Iowa's Code and Administrative Rules, the problem was discussed and things did not seem as dire as first thought.

Section 35B of the Code sets the process for selection of county commissions on veterans affairs and their duties. One of the duties is to choose and hire an executive director or administrator to serve as a county veteran service officer (CVSO). Upon their hiring a CVSO shall complete a course of certification training provided by the department of veterans affairs. That certification is provided by the National Association of County Veterans Service Officers (NACVSO). With that knowledge, a CVSO's job is to provide assistance to veterans in the county by being knowledgeable on federal and state benefits available to veterans.

Once certified, a CVSO must continue to maintain certification by gaining continuing education units (CEUs) from NACVSO. This is done through an annual training program put on by the Iowa Department of Veterans Affairs (IDVA), required by 35A.5 (9) which will provide the CVSO their required 16 hours of training.

The problem occurred with training provided by IDVA at the end of April. Their training program only provided 10 hours of CEUs to CVSOs. The administrative rules

(801-7.2(2)) say that CVSOs shall be certified by June 30, 2010. In Code section 35B.6 sec. 1(c) it says "failure of an executive director or administrator to maintain certification shall be cause for removal from office." This prompted many CVSOs to believe they were in violation of the law and thus in danger of being removed from their position.

"The problem occurred with training provided by IDVA at the end of April."

But after some research, it was discovered that 801-7.2(2) is referring to the initial certification. That initial certification is given by NACVSO after 40 hours of training. That was completed by the Department last October, according to IDVA Director Pat Palmersheim. NACVSO says that in order to maintain their certification, they must acquire the requisite 16 hours of CEUs by the end of each calendar year. This gives Iowa's CVSOs until December 31, 2010, to get their hours, not June 30, 2010, as feared.

What this means is that CVSOs who attended the training in April have 7 more months to acquire their remaining 5 to 6 hours of training. The Department is planning on holding another CEU training session in the fall. This training is planned to provide the full 16 hours to those who were unable to attend the spring training ses-

sion, and to provide the remaining 6 hours to those who were at the spring training.

While the problem may be less dire than first believed, it doesn't change the fact the spring training SHOULD have fulfilled the adequate training requirements. Director Palmersheim lays the blame with the regional VA office, with whom he contracted to provide the training. He claims they were aware of the requirements and came to the training unprepared. Others in the veterans community claim that it was common knowledge that the regional VA could not provide the appropriate training and that the director should have contracted with NACVSO or another capable organization to provide the training.

Some in the veterans community also contend that it wasn't just the inadequate training that was a problem. The event itself was disorganized, including a lack of reserved hotel rooms for those attending, requiring CVSOs to find their own lodging at the last minute.

Legislators plan to work with the IDVA and the Commission on Veterans Affairs to find a way to resolve this situation so that it doesn't occur again in the future. Providing the necessary training in one session would eliminate the need for counties to provide money for travel and expenses related with the training more than once. It would also prevent the need for CVSOs to be absent from their office even more days when they could be available for the veterans in their communities who need them.

Ways and Means

(Contact Matt Hinch at 1-3298.)

Iowa Tax Refunds Delayed

Iowans who filed their 2009 tax returns by mailing in the paper form have noticed something different this year, it's been a month since the filing deadline and they have yet to receive their refund. Accordingly, many taxpayers have contacted the Department of Revenue to obtain confirmation their tax return has at least been received and that their refund is in the mail. Unfortunately, unless the return has been manually entered into the system, there is not a way to receive such confirmation. As you can imagine it is causing heartburn in households around the state.

Concerned Iowans are turning to their state legislators with several questions. "Since my return has not been officially received by the Department will I be penalized?" The answer: No, as long as your tax return is

postmarked by April 30, 2010 you will not be penalized. And, "where is my refund?" The answer: It's on it's way, but it's been delayed.

"Less staff to handle the work load translates into delays..."

Recently, the Department of Revenue acknowledged that they are behind schedule this year in processing 2009 tax returns. Specifically, the delay is associated with individuals who have filed a paper return, approximately 25% of all tax filers. Those who filed their returns electronically have not experienced the delay, because those returns are able to be processed much

quicker.

What's the hold up? Governor Culver's Fiscal Year 2010 ten percent across the board cut is to blame. Last year, the Department of Revenue took a substantial hit when Culver executed his across the board cut. As a result, the department has been unable to fulfill temporary positions that help expedite processing tax returns. Less staff to handle the work load translates into delays, which doesn't bode well for families strapped for cash eagerly awaiting those refund checks.

The Department of Revenue estimates that all taxpayers should have their refunds by the end of June. Interest begins accruing on unpaid refunds on June 1, 2010.