

Iowa House of Representatives

State Representative Cecil Dolecheck

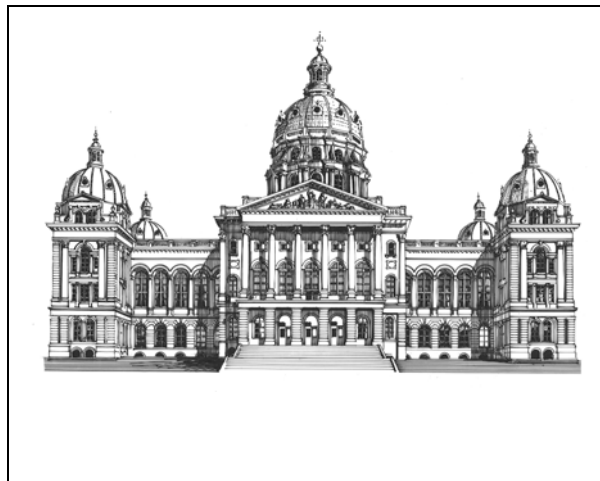
Dolecheck's Details

Address: State Capitol, Des Moines, IA 50319

Phone: 515-281-3221

E-Mail: cecil.dolecheck@legis.state.ia.us

**For the week of January 18th-January
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Budget Issues

- House Republicans will not vote for a budget that spends more than the state receives in revenue.
- The last time Republicans controlled the Iowa House in 2006 (FY 2007), \$5.385 billion was in total General Fund spending.
- In 2009 (FY 2010) the majority party voted for \$5.812 billion in General Fund spending AND \$591.9 million in federal stimulus funds along with spending \$80.3 million from the cash reserve fund.
- It is an indisputable fact that Democrats voted to spend \$6.4 billion in 2009 (FY 2010)
- After the Governor issued the 10% across the board cut, that total spending number was reduced to \$5.9 billion for FY 2010.

Tax Credit Review

- As tax credits and tax deductions are reviewed during the 2010 session, Republicans propose the beneficiaries of any “savings” to the state treasury should be the taxpayers through broad based tax relief.
- Iowans are dealing with job losses, employers are struggling to stay open and the last thing they need are higher tax bills.
- When a tax credit is capped or eliminated, someone's taxes are going up. The only entity that benefits from higher taxes is government. Raising taxes is not the answer to Iowa's budget problems.

Family Budget Initiatives

- Iowa's current 99% spending limitation is not working. Democrats authorized nearly 70 loopholes in the current law to allow their outrageous spending increases. The law needs to be added to the Constitution.
- Iowa families must live within their means – Iowa state government should be no different.
- In 2009 Gov. Culver and legislative Democrats approved legislation that puts Iowans on the hook for \$1.7 billion in debt.
- Statewide polling showed that 70% of Iowans opposed the debt scheme.
- A 2/3 supermajority of both houses of the legislature is needed to authorize new state borrowing.

- A 60% vote is required at the local level to ensure widespread support. The same should apply in the Legislature.
- There should be a systematic process wherein EVERY program funded by state government will be sunset (de-authorized) by a date certain unless the Governor and the Legislature reauthorize that program.
- This forces a top to bottom review of every existing program funded by state government to determine whether the program is effectively and efficiently meeting the needs for which it was created, or if the need continues to exist.
- Programs no longer needed should be eliminated and those resources should be diverted to other priorities.

Education

The Governor's hype last week about a "big" surprise for K-12 education fell flat.

In his state-of-the-state message, Culver promised to cover just a fraction of the \$540 million "promissory note" looming for K-12 funding.

The \$540 million hole in the school aid formula for FY11 was created by two across-the-board cuts, one-time TARP money (federal stimulus) money, 2 percent allowable growth and the statewide voluntary preschool program.

The Governor promised to partially backfill \$100 million of the \$235 million October ATB cut and to fund 2 percent allowable growth for the K-12 funding formula.

That leaves an overwhelming \$400 million that will likely fall on Iowa taxpayers.

Bill Watch

A. House File 2001 - Expands Levy Authority By Up to \$380 million This bill – cosponsored by key Democrats including the Chair of the House Education Committee and the Speaker of the Iowa House – allows Iowa school districts to shift up to \$380 million in health insurance and benefits onto property taxes. Under current law health benefits for current school employees must be paid for from the district's general fund budget. HF 2001 allows districts to shift that cost onto property taxes. **Potential Property Tax Impact: \$380 million**

B. House File 2040 – Property Taxes Can be Used for Any General Fund Purpose This bill allows districts to use the board approved portion of the Physical Plant and Equipment Property Tax Levy (PPEL) for any General Fund purpose. The bill specifies that districts may do this for the FY11 and FY12 school year. The bill opens any board-approved PPEL dollars generated in that fiscal year and any like unspent dollars to any general fund purpose. **Potential Property Tax Increase: Unknown.**

What do you think? Email me your thoughts. My e-mail address is : cecil.dolecheck@legis.state.ia.us

House Visitors include : Jerry Hanson of the Montgomery County Veteran's Affairs.

Information about my legislative forum schedule, past newsletters and biography can be found at www.iowahouserepublicans.com/members/cecil-dolecheck

The number for the House switchboard is (515) 281-3221, Seat 65