



Iowa House of Representatives

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APPROPRIATIONS: General Fund Revenue Slightly Above REC Estimate

On Monday, March 1, Fiscal Services Division released the general fund revenue numbers for the first eight months of FY 2010. Net revenue through February was slightly above the REC estimate for FY 2010.

Net revenue was down \$292.4 million or 7.5% compared to FY 2009. This is above the REC estimate of a reduction of 8.5%.

Through February, personal income tax revenue was down 4.4%, compared to the REC estimate of 3.6%. While income tax withholding is only down 1.1%, payment of estimated taxes is down 21.2% and payments with returns are down 17.7%. This suggests that tax refunds will be up dramatically as taxpayers file taxes due in April.

Sales tax and use tax revenue did not decrease as much as estimated, nor did corporate income tax. This is a good sign if the trend continues. Sin taxes had a strong month as cigarette taxes, tobacco taxes and liquor profits all showed gains.

Unfortunately, despite the budget bills beginning to move in both chambers, Iowans still do not know how much will be spent on general fund programs. It is estimated that the final FY 2011 spending will approach \$6 billion when the money from the Cash Reserve Fund, remaining stimulus funds and underfunding of Medicaid are included. Until the LSA is authorized to release a general fund balance sheet, there is no way of knowing the exact numbers.

As your voice in Des Moines, I will review the budget plan to see whether it spends more than it takes in and whether it raises any taxes. You can count on me to promote efficiency and reorganization, not cost-shifting measures.



House District 39 News

Here we are at the end of the second funnel week! We now know exactly what bills are left to consider this session. One huge item left is the budget! There are twelve calendar days left, and we have yet to see even an inkling of the state budget. You can count on me to go over the budget with a fine-tooth comb when we finally do get a budget. You can read more about the appropriations and budgeting process on the left side of this page.

With Vinton-Shellsburg schools on Spring Break, Mike & Lisa Clark of Vinton brought their kids, Hayley, Alyssa and Tyler to the capitol. It was wonderful to spend time with them and watch the kids learn more about the legislative process. Also, Diane Schmuecker of Watkins visited on Wednesday. There are only three weeks left in the session as scheduled, so be sure to come to Des Moines soon. The weather is getting warmer, so there is even more activities to do on a daylong trip to our capitol city!

There is no legislative coffee scheduled this week, but I'll look forward to seeing many of you at the County Conventions!

-Dawn

EDUCATION: Winners and One Big Loser

Last week we received the education "spreadsheet." Winners include Iowa's job training and locally owned community colleges. In FY11 the community colleges are rewarded with a new \$4 million to offer Iowans high quality, affordable education. Iowa's private college students rebound from their reduction last year with 3.5% increase. Students in the National Guard and All Iowa Opportunity Scholarship programs also get a boost, as does funding for K-12 school food service, vocational education and preschool special education.

In a tough budget year you are considered a winner if you break even. Such is the case for the Iowa School for the Deaf and the Iowa Braille and Sight Savings School. The disabled students at these two special schools will keep level funding.

The Regents are the biggest loser in the appropriation target. The Regent's \$18.5 million cut puts them below their 2006 funding level thus jeopardizing federal funds received. The federal government requires states to fund their education institutions at the least at the 2006 level.

The Governor and legislative leaders are budgeting on hope—either hope that the federal government changes their policy or hope that they can correct the deficiency in a special session this summer. With tuition at the universities increasing 6% next year the last thing Iowa students need is a summertime surprise.

REBUILD IOWA: Concerns Of Overregulation

You would be hard pressed to find someone who wouldn't want to prevent another disaster like the 2008 Flood. The legislature continues to explore options for reducing our future risk. That is the impetus behind SF 2316. Unfortunately, the far-reaching nature of this bill has led to widespread concerns over this bill.

SF 2316 requires the DNR to develop best practices for storm water management and a model ordinance for the 500 year flood plain. The storm water management guidelines would be imposed on the cities and counties by July 1, 2011. The bill does not set a date for the 500 year flood plain ordinance.

The DNR is required to consider including a number of new requirements in the 500 year flood plain model ordinance, including: a requirement to purchase flood insurance, the use of fill, the effect of levees, and modification of current development to mitigate damage.

The item that has attracted the most interest is where the bill asks the DNR to consider outright prohibition of entire categories of development in the 500 year flood plain. Many are concerned with the far reaching effects of this and exactly what development might fall under the prohibition.

The concerns surrounding a 500 year flood plain ordinance are complicated by the current state of the actual flood maps. The bill defines a 500 year flood plain map as one provided by FEMA or, where no map is available, a map developed by the DNR. The problem is that the accuracy of the maps is in question. The technology used for the most recent FEMA maps is outdated and considerably less accurate than what could be provided using tools available today. This has led to communities across the State challenging the maps. Additionally, many communities are not covered by a 500 year floodplain map at all.

The bill also contained a number of provisions including studying hydrological tiling, public education on flood risks, and pursuing other initiatives on floodplain management by the DNR and IDALS.

This bill was assigned to my subcommittee and we were able to stop the legislation. The state needs to be more pro-active about flood plain policy, but the policies need to be passed on fact, good judgment, and flexibility for different situations - not a blanket solution with out-dated maps. I will work to ensure any policies we make are based on facts and will be best for all Iowans involved.

JUDICIARY: As Mark Becker Trial Concludes, Legislature Looks to Prevent Future Tragedy

Last summer, before Mark Becker murdered his former coach Ed Thomas, he used a baseball ball to beat the exterior of a house and led police on a high speed chase. He was apprehended and the arresting officers determined Becker should be taken to a local hospital to evaluate his mental state.

Following the hospital's evaluation of Becker, he was discharged. No notice was given to the police department that this dangerous individual, whom they had arrest warrants for, was being released. A day later, Becker walked into the Aplington-Parkersburg High School weight room and murder Thomas.

With the possibility of a verdict coming down at any moment, members of the Thomas family came to the Capitol to promote a bill to prevent a similar situation from happening. The fix they seek is a relatively simple one that would enable an arresting officer to provide a form to the hospital at the time an individual is turned over for evaluation. That form would then place a requirement upon the hospital to notify the arresting agency before the individual is discharged.

Hospital notification will give law enforcement officers the opportunity to take an individual back into custody to face charges. Current law allows for a very similar process, but requires an officer to acquire a court order from a magistrate. There are shortcomings to such a system, and creating a form for the officer to give the hospital is seen as a way to put the responsibility in the hands of those directly involved and simplify the process at the same time.

The Senate originally attempted to address this issue in SF 2352. But, after reviewing it, all parties agreed that it could be improved. An amendment is expected to be adopted to SF 2352 in the House Judiciary committee this week. Members of the House have worked closely with the Thomas family to provide a simple fix that should help law enforcement and increase public safety.

WAYS & MEANS: Unclaimed Tax Refunds

The Internal Revenue Service (IRS) announced this week that they are sitting on more than \$1.3 billion in unclaimed 2006 federal income tax refunds. Approximately 1.4 million people did not file a federal return in 2006 qualify for checks. However, taxpayers have until April 15, 2010 to postmark their 2006 return. The IRS estimates that 12,200 Iowans who did not file a 2006 return are together missing out on \$10,000. The average estimated refund amounts to \$596 per taxpayer.

Federal law provides the majority of taxpayers with a three-year window to claim their refund after the return is due. There is no penalty assessed on returns that qualify for a refund. Many individuals may not have filed an income tax return because they made too little income to require filing a tax return, even though taxes were withheld from their paychecks or made quarterly estimated payments.

According to the IRS, if individuals have not filed a 2007 or 2008 return and file for a 2006 refund, their checks will be held. Furthermore, the 2006 refund will be applied to any outstanding federal debt owed by an individual such as unpaid child support or past due student loan payments.

The IRS also notes that individuals may be missing out on more than just their 2006 refund. In 2006, most telephone customers qualified for a one-time telephone excise tax refund. In addition, many low income earners who did not file a 2006 return likely did not claim the Earned Income Tax Credit but did qualify for it.

Individuals seeking to file their 2006 return can obtain the proper form from the Forms and Publications page on www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

