



February 1, 2009

### **News from the Capitol Steps**

**The Budget, the budget, the budget** - As we have said all along, this session will be all about the budget and this past week was no exception. After a tumultuous week that included the Martin Luther King, Jr. holiday, the presidential inauguration and the laying to rest of two former legislators from Cedar Rapids – Senator Mary Lundby and Representative Rosemary Thomson – legislators returned to the Capitol this past Monday for a busy week. Subcommittees are underway on a number of legislative proposals, bills are being drafted and introduced by the dozen and the budget committees are holding their preliminary fact-finding hearings in preparation for the upcoming budget work.

On Wednesday, the Governor announced his recommendations for the FY2010 budget which begins July 1, 2009. The national economic slowdown ensured that the Governor's budget included a nice big dose of heartburn for many state programs, and rightfully so given that state revenues for FY2010 are expected to decrease by about 0.4% for FY2010 and that FY2009 revenues are coming in at 0.8% less than anticipated. The Governor's proposal generally includes a 6.5% reduction with certain programs exempted from cuts. This follows a December across-the-board cut of 1.5%. In total, the Governor's FY2010 budget estimates \$6.27 billion in revenue and appropriates \$6.21 billion.

If you are aching to do some research of your own, the Governor's Budget proposal can be found at

[http://www.governor.iowa.gov/news/2009/attachments/Iowa\\_Budget\\_Report\\_Fiscal\\_Year\\_2010.pdf](http://www.governor.iowa.gov/news/2009/attachments/Iowa_Budget_Report_Fiscal_Year_2010.pdf)

Additionally, the Legislative Services Agency's analysis of the Governor's FY 2010 Budget recommendations can be found at

<http://staffweb.legis.state.ia.us/lfb/docs/BudgAnalysis/FY2010/PreliminaryGovSum.pdf>.

Bear in mind that the Iowa state budget is rather complex and has a number of different funds and funding streams that are utilized. If you notice a program you care about is receiving a cut, double-check first that some or all of the program's funding isn't going to instead come from a different fund.

So, what will the next two weeks bring? Along with the legislative session's ever-reliable dose of surprises, look for legislators to begin digesting the Governor's budget proposals and start thinking about what fiscal numbers to assign to each of the budget subcommittees. They will be looking to you their constituents for feedback on the Governor's proposal, so be sure to speak up and be heard.

Legislators will also be looking for some idea of consensus on the larger issues of the budget – the Governor's \$700M infrastructure proposal, a possible gas tax increase, allowable growth for schools, etc. – because those decisions will have a huge impact on the budget. Additionally, they will be watching very closely as the federal government makes decisions on economic stimulus and then other issues that greatly affect the state budget (like Medicaid, for example).

In summary, the next two weeks are a great time to have your voice heard, before the big decisions are made.

**The Budget with regard to Libraries** - With the declining state revenues, every facet of state government needs to weather some belt-tightening until revenues improve. The Governor's FY2010 budget recommendations include some real challenges for library funding but also some good news. Much of the Governor's budget includes cuts of 6.5% in addition to a December across-the-board cut of 1.5%. Combined, these two cuts equal about 7.9% less than the level appropriated last year. While the Governor's recommendations are merely a suggestion to the Legislature and the legislators assemble the actual budget bills, they will look carefully at his suggestions because they will need the Governor's signature on their budget bills.

As many of you know, libraries rely on appropriations to three line items in the state budget, and one of those line items (Enrich Iowa) receives money from two different funds. The Governor's FY2010 recommendations:

- ★ Appropriate \$ 1,783,443 to the State Library, a reduction of 7.9% from FY2009, or a total reduction of \$ 153,054
  
- ★ Appropriate \$ 1,460,666 to the Library Service Areas, a reduction of 7.9% from FY2009, or a total reduction of \$ 125,334
  
- ★ Appropriate \$ 1,679,336 to Enrich Iowa from the General Fund, a reduction of 7.9% from FY2009, or a total reduction of \$ 144,096. Appropriate \$ 1,000,000 to Enrich Iowa from the Rebuild Iowa's Infrastructure Fund (RIIF- gaming revenue), which is the SAME AMOUNT as last year. Taken together, Enrich Iowa will see a reduction of 5.4%, or \$ 144,096.

- ★ Propose bonding for \$700 million for infrastructure projects using \$56 million per year over 20 years from the RIF. The Governor's list of eligible projects includes "library rehabs."

Be sure you are talking to your legislators about these programs and how important they are to your success!

**Disaster Recovery Bills Going to Governor.** This week, the Legislature moved quickly on passing the Governor's request for disaster assistance. The Governor will sign into law the bill ([HF 64](#)) that allocates \$56 million to help communities impacted by last summer's storms and floods.

[House File 64](#) takes money from the state's cash reserves (our state's savings account) to pay for disaster related services, such as:

- \* Additional Jumpstart Housing assistance
- \* Unmet Needs Grants
- \* Community Disaster Grants

In addition, the bill makes the Rebuild Iowa Office a permanent state agency (by putting it into Iowa law). The Rebuild Iowa/Disaster Recovery Bill is the first bill of the 2009 session to be signed into law by Governor Culver. The bill signing is open to the public and will be held on Monday at 11:30 a.m. in the first floor rotunda.

If you are interested in keeping track of disaster recovery and rebuilding efforts, you can read the Rebuild Iowa Office's weekly legislative reports here: [http://www.rio.iowa.gov/news/legislative\\_weekly/index.html](http://www.rio.iowa.gov/news/legislative_weekly/index.html).

\*The information in this update is prepared for ILA by Campbell/Patterson Consulting, LLP.

## **Bills of Interest – As of February 1, 2009**

### **SSB 1048 & HSB 13 - Part III ICN (Status: Senate State Government Committee)**

No longer requires the ICN to lease its Part III connections under certain circumstances. Lease alternatives is permitted when an incumbent connection qualified provider terminates ownership of a leased connection, or ceases to provide the necessary level of maintenance service to an existing leased connection. Provision other than through leasing will also be permitted when the state telecommunications and technology commission determines that it is in the best interest of the state. Prior to proceeding with an alternative connection to an existing or otherwise authorized network connection, the commission shall determine that an alternate cost-effective solution is not available from a private sector qualified provider. The commission shall also determine that utilization of a competitive bidding process will not be effective and is not in the best interest of the state for providing an existing or otherwise authorized network connection. Position: Monitor

Notes: SSB 1048 Subcommittee: Appel (Chair), Danielson & Behn HSB 13 House State Government Committee - Subcommittee: Lensing (Chair), Koester, Mascher, Pettengill, and Quirk

### **SSB 1008 & HSB 27 - Library Service District Modifications (Status: Senate Education**

### **Committee)**

This bill makes a number of technical changes to Iowa Code provisions relating to library districts. The bill would require the library district formation petition to include the total number of board members, how representation on the board will be divided among the jurisdictions, and clarify several other aspects of new district formation. The bill contains several related provisions. Requested by the Iowa Department of Education Position:

Monitor

Notes: SSB 1008 Subcommittee: Wilhelm (Chair), Appel, and Hamerlinck HSB 27

Subcommittee: Bukta (Chair), Thede & Schulte

### **HF 11 - Minimum Wage COLA Increase (Status: House Labor Committee)**

This bill increases the state minimum hourly wage, including the minimum hourly wage established for employees employed for less than 90 days, annually on July 1 by the same percentage as the cost-of-living increase in social security benefits authorized in the previous fiscal year by the federal social security administration. Position: Monitor

Notes: Subcommittee: Hunter (Chair), Cownie & Mascher

### **HF 74 - Searchable Budget and Tax Information (Status: House State Government Committee)**

This bill would require the department of management to develop and make available to the public by January 1, 2011, a single, searchable budget database website which would allow the public at no cost to search an aggregated database that would provide the names and principal location or residence of recipients of state funds, amount of funds expended, the agency that provided those funds, and several other details. The disclosure would not be required for individual recipients of state assistance. The bill would also require the department of management, in consultation with the department of revenue, by January 1, 2010, to develop and operate on an internet site a searchable database of all the tax rates in the state for each taxing district. Sponsored by Rep. Paulsen, Struyk, Helland & Upmeyer  
Position: Monitor

Notes: Subcommittee: Frevert (Chair), Isenhardt, and Pettengill

### **HF 64 - Rebuild Iowa Disaster Recovery (Status: Sent to Governor)**

This bill contains disaster assistance through the rebuild Iowa office and makes appropriations. Division I of the bill requires the Iowa Finance Authority (IFA) to establish and administer a jumpstart housing assistance program to provide grants to local government participants for eligible residents for eligible purposes relating to disaster-affected homes. The bill includes eligibility requirements and appropriates \$24 million from the Iowa economic emergency fund for the program. Division II of the bill appropriates \$10 million from the Iowa economic emergency fund to the department of human services for providing disaster aid individual assistance grants. Division III of the bill appropriates from the Iowa economic emergency fund \$22 million for community disaster grants to cities and counties, awarded based on their pro rata share of the total statewide damage costs associated with natural disasters occurring after May 24, 2008, and before August 14, 2008, as calculated by the federal emergency management agency as of January 1, 2009. Division IV of the bill creates a Rebuild Iowa Office for purposes of coordinating the state activities associated with the rebuilding efforts. Position: Monitor

Notes: Passed House, 98-0; Passed Senate 49-0

### **SF 48 - Health Care Reform (Status: Senate Human Resources Committee)**

Expands on last year's health care reform initiative. Highlights include allowing small businesses, non-profit organizations, and local governments/schools to buy the state employees' health insurance plans for their employees, with the same premiums given to state employees. Requires a minimum of three years participation in the program and requires the insurance plans offered to meet minimum standards of quality and affordability established by the Iowa Choice Insurance Exchange. Allows parents whose insurance includes coverage of an adult child up to age 25 or enrolled in school to deduct the value of that coverage from their state taxes. Requires parents to declare on their taxes whether their children are insured (beginning 2010). Requires the Department of Revenue to send information about public programs if they find a person's income meets Medicaid/hawk-i guidelines and they have uninsured children. Requires the taxpayer who qualifies for these health care programs to enroll their child within 90 days of receiving the information. Allows Medicaid to average three years of income for self-employed families to establish eligibility. Allows private providers giving free care to be covered under the state's liability insurance, and establishes a health care workforce shortage initiative to support a medical residency training grant program, health care professional loan repayment program, and nurse educator forgivable loan and nursing faculty fellowship program (no money appropriated). Mandates all non-ERISA insurance plans cover medication therapy management. Prohibits drug manufacturers from giving health care providers gifts, with some exceptions. Protects the privacy of patients receiving prescription drugs (bans data mining by pharmaceutical companies). Position: Monitor

Notes: Subcommittee: Hatch (Chair), Bolckcom & Seymour

---

### **Top Priorities: Library Issues 2009**

- ⇒ Allocate funds to assist flood-damaged libraries so they can replace their collections, repair their facilities, and resume full service to their customers.
- ⇒ Enhance Iowa's workforce by providing statewide access to additional high-demand databases, such as test preparation software. These databases help Iowans prepare for a wide variety of educational and career tests, from GREs to college preparation to civil service and military service exams. This would require a \$250,000 new appropriation to the State Library of Iowa.
- ⇒ Increase funding for Enrich Iowa to support the dramatic increase of Iowans' need for and use of libraries. Not every library can own everything; Enrich Iowa funds resource-sharing that enables Iowa's library system to be an efficient resource-sharing network accessible to all Iowans.
- ⇒ Support efforts to develop a statewide shared library catalogue and check-out system.
- ⇒ Sustain the budget of the State Library of Iowa and Library Service Areas for providing critical leadership and support to libraries.
- ⇒ Preserve hometown governance in Iowa public libraries by maintaining support for the local decision-making.

### **Important Dates of the 2009 Legislative Session**

- ⇒ **February 20<sup>th</sup>, 2009** – Final deadline for individual legislator's bill requests.
- ⇒ **February 25<sup>th</sup>, 2009** – ILA's Lobby From Home Day.
- ⇒ **March 13<sup>th</sup>, 2009** – First funnel deadline. A House bill must have been approved by the committee of jurisdiction in the House in order to remain alive (and vice versa). Bills exempt from funnel deadlines include any bills in the Committees on Appropriations, Oversight and Ways & Means.
- ⇒ **March 25<sup>th</sup>, 2009** – ILA's Legislative Day at the Iowa State Capitol.
- ⇒ **April 10<sup>th</sup>, 2009** – Second funnel deadline. A House bill must have been approved by the committee of jurisdiction in the Senate in order to remain alive (and vice versa). Bills exempt from funnel deadlines include any bills in the Committees on Appropriations, Oversight and Ways & Means.

⇒ **May 1<sup>st</sup>, 2009** – 110<sup>th</sup> Calendar Day of the 2009 legislative session. Per Diems for legislators expire. (Unless the Session is shortened to 100 days)

**The Best Resources for Your Advocacy Needs:**

Find Your Legislator - <http://www.legis.state.ia.us/findleg/>

Contact Your Legislator - <http://www.legis.state.ia.us/asp/Legislators/LegislatorInfo.aspx>

Legislative Committee Listings - <http://www.legis.state.ia.us/asp/Committees/CommitteeInfo.aspx>

Track Legislation (instantly updated) - <http://www.legis.state.ia.us/Legislation.html>

Listen to Debate (live) - <http://www.legis.state.ia.us/Audio/Audio.html>

House & Senate Calendars (weekly & daily) - <http://www.legis.state.ia.us/Chambers.html>

Session Calendar - <http://www.legis.state.ia.us/Current/TimeTable.html>

How a Bill Becomes a Law - <http://www.legis.state.ia.us/Pubinfo/bill2law.htm>

Guide to the General Assembly - <http://www.legis.state.ia.us/Central/Guides/gaguide.pdf>

**2009 ILA Legislative Agenda -**

<http://www.iowalibraryassociation.org/associations/2221/files/2009legagenda.pdf>

---

**Your Capitol Team**

Mike Dargan, Government Affairs Committee Chair - [MikeDargan@iowalibraryassociation.org](mailto:MikeDargan@iowalibraryassociation.org)

Amy Campbell, ILA Lobbyist - [amy@campbell-patterson.com](mailto:amy@campbell-patterson.com)

Craig Patterson, ILA Lobbyist - [craig@campbell-patterson.com](mailto:craig@campbell-patterson.com)