



Happenings on the Hill



The Week of January 30, 2017 in review by Representative Greg Heartsill

Condition of the Iowa National Guard



This week General Timothy Orr gave the annual condition of the National Guard address. He stated in his speech that the 178-year-old Iowa National Guard continues to be “mission focused and warrior ready.” Orr outlined how the 9,000 members of the Iowa National Guard play an integral part of national security by supporting the U.S. Army and Air Force. He stated that Iowa currently has 425 soldiers and airmen mobilized in combat operations around the world because the Iowa National Guard is no longer just called upon for natural disasters in Iowa.

A recent request for 30 Soldiers and Airmen from the Iowa Army and Air National Guard to assist federal, state, and local agencies with supporting missions for the 58th Presidential Inauguration held on January 20th. Their duties were to aid the U.S. Secret Service, U.S. Capitol Police and D.C. Metropolitan Police forces on a range of support,

including traffic control, crowd management, logistics and communication.

General Orr commented that 2017 is the 100th Anniversary of World War I. During the war, Camp Dodge was used as a training center. He stated that not much has changed, for Camp Dodge is still one of the busiest training bases in the county. It is not only for military training, but also for law enforcement and civilian trainings.

General Orr outlined some of the infrastructure projects the Iowa National Guard is undertaking. Several renovations have already been completed at the Air National Guard Base at the Des Moines Airport, and an additional \$20 million in construction is planned. Additionally, ground will be broken this year on a \$12.4 million improvement at the Sioux City Air National Guard Base to combine three aging facilities into one modern complex. There are also plans to remodel the Fairfield and Carroll National Guard facilities this year, and construction will begin later this year to build a \$23 million army project in Davenport that will replace the Brady Street Armory (the Iowa Guard's oldest readiness center).

In his speech, General Orr said the Iowa National Guard has four core responsibilities:

- Fighting America's wars by providing combat-ready soldiers and airmen for a global war fight
- Securing the homeland with homeland security and domestic response capabilities
- Building enduring partnerships with active military, governmental agencies, and private organizations
- Making Iowa communities better places to live

Orr also thanked all who have supported the Iowa National Guard. He specifically thanked the legislature for the Home Base Iowa Program, Educational Assistance Program, and for general infrastructure support. Additionally, he thanked the public for their participation and support in sendoffs and homecomings.

De-appropriation Hurdle Clears Movement on FY 18 Budget

Governor Branstad signed the Fiscal Year 2017 de-appropriation bill on Wednesday of this week, freeing the Legislature to address the Fiscal Year 2018 budget.

As part of the negotiations on the FY 2017 budget adjustments, House Republicans reached an agreement with the Governor's office and Senate Republicans that the new state budget will not be larger than \$7.4555 billion. This figure comes from the state's expenditure limitation law. With current projections, the state would have up to \$200.9 million of new revenue in FY 2017. There has been no agreement to spend all of the \$200.9 million – in fact it would be unwise to do so, given the fact that revenues have not materialized during the last four years.

How then should the “surplus” be spent? Medicaid funding tops the list of built-in expenditures for the new budget. Due to the implementation of the Medicaid Modernization efforts last year, Medicaid's growth is substantially smaller than what the state experienced in previous years. The Governor's budget still calls for an additional \$42 million, raising the General Fund appropriation for the program to almost \$1.35 billion next year.

For several years, funding for state government technology projects through the Technology Reinvestment Fund have come from the Rebuild Iowa Infrastructure Fund instead of the \$17.5 million standing appropriation out of the General Fund. In FY 2018, RIIF does not have the capacity to once again cover these costs, even at a reduced level. So the General Fund will have to return to being the source of technology funding for new computer systems and equipment upgrades for entities like Iowa Public Television and the ICN.

Another expense for the new revenue will be to maintain the state's reserve funds. Under law, the Cash Reserve Fund and the Economic Emergency Fund are to equal 10 percent of the General Fund budget. In past years, the state's ending balance had sufficient funds to provide the additional money needed as well as payment for Iowa's share of federal disaster aid (known as “performance of duty”). For 2018, the state will need put \$20.4 million toward this requirement.

As part of the FY 2017 budget deal, the state's annual extra contribution to the Peace Officers Retirement System was reduced from \$5 million to \$2.5 million. With Republicans now in control of the Iowa Senate, this additional payment will return to its statutory level of \$5 million. The state will also have to address rising pharmaceutical costs in Iowa's prisons. Much of the anticipated \$2.2 million increase will be due to the exorbitant price of Hepatitis C medications, which can cost up to \$100,000 for a full series of treatments.

These five items together would account for \$84.6 million of new revenue. House and Senate Republicans have agreed to raise state aid to schools by \$40 million in FY 2018. Iowa's higher education community is also asking for increased funding. The state's three universities are concerned about their ability to hire and retain top flight professors. Additionally, Iowa's community colleges are looking for more help to address workforce needs in a changing economy. House Leadership recognizes the numerous benefits community colleges afford Iowa.

Supporting the State Patrol is another key legislative priority. Iowa is facing a severe shortage of troopers in the next few years. Hiring one new trooper requires an appropriation of \$179,000 for their first year of service.

Improving Iowa's water quality is also on the table, as are many other priorities. Deciding where to place the remaining funds will be done in a thoughtful manner so as to not repeat the 2017 de-appropriations nightmare.

K-12 Education Nets 40 Million New Dollars

The House moved forward this week on a bill to establish school funding for the school year beginning in the fall of 2017. The bill not only set school funding by increasing SSA by \$40 million, it also made changes on the method of setting school aid.

You may recall that current law requires the legislature to set school aid a year before any other budget items are considered and nearly a year before state revenues are known with any degree of certainty. It is often a shot in the dark and has led to numerous unsustainable budgeting decisions. House Republicans have argued for years that this process needs to change. This bill brings the school funding discussion back under the umbrella of the full budget discussion and frames it within the boundaries of the revenue the state is required by law to work within. The goal, of course, is to provide stability to our K-12 education.

WHERE DOES THAT LAND US IN RELATIVE TERMS?

It's always a popular discussion to see where we fall relative to other states. Several years ago, according to stats from the National Education Association, we ranked 35th in terms of our per-pupil spending on education. While the numbers haven't been released for the previous year, the trend has been going in a better direction.

School year	Iowa's per pupil expenditures	Ranking	National Average	Distance from Average
2014/15	\$10,622	27 th	\$11,709	\$1087
2013/14	\$10,240	28 th	\$11,356	\$1116
2012/13	\$9888	26 th	\$10,923	\$1035
2011/12	\$9645	32 nd	\$10,838	\$1193
2010/11	\$9425	35 th	\$10,669	\$1244

Additionally, teacher pay has not only kept up with the nation, but it saw a slight bump in the latest data.

School year	Iowa's teacher pay	Ranking	Midwest ranking	Midwest states in order
2014/15	\$53,408	23 rd	6 th	MI, IL, MN, OH, WI, IA , IN, NE, ND, KS, MO, SD
2013/14	\$52,032	25 th	6 th	MI, IL, OH, MN, WI, IA , IN, NE, ND, KS, MO, SD
2012/13	\$50,914	26 th	6 th	MI, IL, OH, MN, WI, IA , IN, NE, MO, KS, ND, SD
2011/12	\$50,218	26 th	7 th	MI, IL, OH, MN, WI, IN, IA , NE, KS, MO, ND, SD
2010/11	\$50,634	25 th	6 th	IL, MI, OH, MN, WI, IA , IN, NE, KS, MO, ND, SD

The Senate has moved on an identical bill for school funding and what is before the House for full consideration will likely move to the Governor's desk for signature soon.

The House will convene a public hearing on the matter on Monday, February 6, with floor debate following closely afterwards.

Tax Season is Underway

It is that time of year again...tax season. A quick visit to the website <https://tax.iowa.gov> will provide you with numerous forms and instructions for filing your taxes this year. A question that is oft asked:

WHAT'S NEW THIS YEAR?

- ✓ Your refund may take longer. The Iowa Department of Revenue has installed fraud engines into their processing systems and is dedicating more time to verifying the validity of tax refund claims before issuing refunds. The extra time taken helps ensure the right person gets the right refund and criminals do not pocket Iowa taxpayers' money.
- ✓ You may get correspondence from IDR this time. Part of their verification process may require an examiner to reach out to you. If you do receive correspondence, contact the examiner listed as soon as possible to expedite the process.
- ✓ Earned Income Tax Credit refunds will not be paid until early March. Beginning in 2017, a new federal law requires the IRS to hold refunds on tax returns claiming the EITC until mid-February. This change helps ensure that taxpayers get the refund they are owed by giving the IRS more time to help detect and prevent fraud. IDR will also take time to apply its own fraud checks to EITC refund claims. As a result, it will likely be the beginning of March before EITC refunds are issued.

Good advice to follow to prevent being scammed:

- ✓ Secure your own computer. If you're electronically filing your own return, make sure you have firewall and anti-virus protections that are always turned on and can automatically update. You should also encrypt sensitive files such as tax records you store on your computer and use strong passwords.
- ✓ Be wary of tax scams. Learn to recognize and avoid phishing emails, threatening calls and texts from thieves posing as legitimate organizations such as your bank, credit card company and even IDR or the IRS. Do not click on links or download attachments from unknown or suspicious emails.
- ✓ Protect your personal data. Don't routinely carry your Social Security card, and make sure your tax records are secure. Treat your personal information like you do your cash; don't leave it lying around.
- ✓ Keep your documentation. Compile your documentation before filing and keep it for at least three years.

Heartsill Bill Advances

While on topic of IDR, HF 6 passed out of Ways and Means Committee this week. The bill provides for the elimination of the political checkoffs (step 12) on the Iowa 1040 form.

Under current law, a taxpayer (and their spouse) can designate up to \$1.50 to the Iowa Election Campaign Fund. This does not increase their tax liability or decrease their refund—it is **simply a diversion from the general fund to the Iowa Election Campaign Fund**. Any money not used by the political parties at the end of a general election year reverts back to the state general fund. Data from the Department of Revenue going back several years shows that Iowans divert roughly \$100,000 annually to the political parties using the income tax checkoffs.

The bill simply removes the checkoff and nets a positive impact on the general fund starting in fiscal year 2018. HF 6 will now move to the House floor for further consideration.

Puppy Jake Presentation

This week, the House Veterans Affairs Committee had a very inspiring presentation given by Nancy Saltzstein of the Puppy Jake Foundation. Puppy Jake Foundation is a 501(c)(3) non-profit organization dedicated to help wounded military veterans with the assistance of well-bred and professionally trained service dogs.

Established in 2013, Puppy Jake Foundation provides service dogs to perform tasks and provide companionship for American veterans with disabilities, all at no cost to the veterans or their families. As of December 2016, fourteen service dogs have been placed with their wounded military veteran. There are currently 26 dogs in various stages of training. Between 10-12 dogs are scheduled to graduate in 2017.

Veterans' injuries may be invisible such as post-traumatic stress disorder (PTSD) or physical mobility impairments. The Foundation advocates for increased awareness and accessibility for those accompanied by a service dog in everyday situations. Service dogs can perform tasks, improve mobility and provide unconditional love to injured service members. Raising and training dogs can be expensive, but according to the Foundation, those costs pale in comparison to what our Armed Forces members have given for this country.

The estimated cost of each service dog, from birth to placement, is between \$18,000 and \$20,000. The expenses of a Puppy Jake service dog range from:

- Purchase of purebred puppy - \$1,500
- Veterinary care for a year - \$1,500
- Training for a year - \$10,000
- One year of food - \$576
- Crate - \$75
- One month of food - \$48
- Training vest, backpack and bandana - \$80
- Collar & leash - \$30

If you are a veteran or know of a veteran who would like to apply for a service dog, please visit the website www.puppyjakefoundation.org. The first phase of the application process is found there. A \$150 application fee is required. Complete the "Application of Interest" and the Application Review Committee will be in touch with the next steps. There is a mandatory two-week "Team Training" prior to receiving a service dog.



Puppy Jake Foundation has a dedicated Board of Directors, trainers and volunteers. They can't stress enough how much they rely on volunteer support. There are over 200 dedicated volunteers and 32 foster families. If you would like to be a part of this organization, visit www.puppyjakefoundation.org to find out how.

Community Supported Agriculture on the Rise

Iowa Secretary of Agriculture Bill Northey encourages Iowans to consider joining a local Community Supported Agriculture (CSA) program that will give them access to fresh, locally grown produce throughout the growing season.

“CSAs are a great opportunity to partner with a farmer and share in the harvest of fresh, nutritious, locally grown fruits and vegetables,” Northey said. “I know fresh Iowa grown produce may be far from mind during the cold days of winter, but it is a great time to sign-up for a CSA as it gives the farmer more time to plan for the growing season and ensure a good variety of produce for subscribers.”

Through CSAs, farmers sell a certain number of subscriptions, or shares, and then provide a portion of their harvest to those members, typically on a weekly basis, throughout the growing season. This allows the customers to share in the farming risk as they may receive an abundance of produce during good growing years, but less when there are difficult growing conditions.

CSA members typically receive a box or bag of fresh produce, but some farms may offer other products such as eggs, honey, baked goods, meat, herbs, or flowers. Most CSAs arrange convenient delivery sites for weekly pickup. In addition, many farmers will invite customers to visit the farm to learn more about their operation. Some also offer discounts to members who work on the farm during the growing season.

Iowa has seen significant growth in the number of CSAs, growing from 50 in 2006 to more than 80 in 2016.

We are fortunate to live beside one such CSA: Blue Gate Farm, owned and operated by Jill Beebout and Sean Skeehan. They have an amazing setup and dedicated crew to provide their customers fabulous farm fresh produce, eggs, honey and herbs.

Contact information for CSAs throughout Iowa can be found at

<https://store.extension.iastate.edu/Product/Iowa-CSA-Farms-2016-Statewide-List-of-Iowa-CSA-Farms-and-Organizers> as well as on the Practical Farmers of Iowa website at <http://practicalfarmers.org/member-priorities/horticulture/>.

Hunter Education Course

Hunters Education is being offered in Lucas County at Pin Oak Lodge, 1 mile south of Chariton on Highway 14, on March 4th from 8 am to 5 pm.

Those taking the course must be 12 years old or will be 12 before the season the license is needed for. The Course is free, and all students must have chapter review questions in the back of Hunter Ed manual completed and brought to class. The manuals can be picked up at Recorder's offices of the Lucas or Wayne County Courthouses.

Lunch is not provided, but refrigerator space is available. Pre-registration is recommended, as seats are limited. <https://register-ed.com/programs/iowa/151-hunter-education-classroom-course>

Livestock Master Matrix Adopted

Once again, 88 of 99 Iowa counties notified DNR in January that they plan to evaluate construction permit applications and proposed locations for animal confinements by using the master matrix.

With 11 exceptions, all counties will use the matrix during the next 12 months. The following counties will not use the matrix in 2017: Davis, Decatur, Des Moines, Keokuk, Lee, Mahaska, Osceola, Plymouth, Wapello, Warren and Washington.

Animal producers in these counties must meet higher standards than other confinement producers who also need a construction permit. They qualify by choosing a site and using practices that reduce impacts on air, water and the community.

Counties that adopt the master matrix can provide more input to producers on site selection, and proposed structures and facility management. Participating counties score each master matrix submitted in their county and can recommend to approve or deny the construction permit. They can also join in DNR visits to a proposed confinement site.

While all counties may submit comments to DNR during the permitting process, counties that adopt the master matrix can also appeal a preliminary permit to the state Environmental Protection Commission.

Find more information, including a map of participating counties by searching for Master Matrix at www.iowadnr.gov/afo.

The master matrix applies to producers who must get a construction permit to build, expand or modify a totally roofed facility. Generally, these are confinement feeding operations with more than 2,500 finishing hogs, 1,000 beef cattle or 715 mature dairy cows.

Corps of Engineers Seeks Ag Lease

The U.S. Army Corps of Engineers, Rock Island District, is seeking applications for one, five-year agricultural lease.

Applications will be evaluated based upon the highest annual rental proposed.

Application packages and information can be obtained at the Lake Red Rock and Red Rock Dam Park Manager's Office, by phone at (641) 828-7522 or by writing the U.S. Army Corps of Engineers, Real Estate Division, P.O. Box 2004, Rock Island, Illinois 61204-2004.

For additional information call the Real Estate Division at (309) 794-5201 or visit <http://www.mvr.usace.army.mil/About/Offices/RealEstate.aspx>.

Applications will be opened at 1 p.m. on Friday, February 24, at the Rock Island District Headquarters Office in the Clock Tower Building on Arsenal Island, Rock Island, Illinois.

From Inside the Chamber

There was a lot of activity this week in Subcommittee to get bills worked through the process and into full committee. Our last day for any new bill requests is next Friday, February 10th.

I enjoyed my time with the FFA students that came to the Capitol this



week. I was able to spend some time with Lynnville-Sully, Newton and Pleasantville Chapters to explain what I do as a legislator and answer their questions about how state government works.



I was pleased to chat with the Habitat for Humanity folks more in-depth about Legislation that I am proposing.

Stay tuned: More about this in next week's newsletter!



Getting Around the District...

During Session, I hold weekly town hall meetings around the District. Below is the current schedule:

February 10th : Coffee Cup Cafe in Sully – 8 am

Two Rivers Coop in Otley –9:30 am

If you cannot attend a forum, you may also contact me at 641-218-0185 or greg.heartsill@legis.iowa.gov.

If you have a group that is coming to the Capitol, please let me know so that I am able to arrange some time to visit with you and arrange a tour. If you would like to watch us online in the House Chamber, please go to:

<http://coolice.legis.state.ia.us/Cool-ICE/default.asp?category=billinfo&Service=livevideo>

Please share this newsletter with those that might be interested and/or send me email addresses of those that wish to be added to my newsletter list. It is a great honor to represent you in Iowa House District 28. God Bless!