

Travel Federation of Iowa

Capitol News

With one-fourth of the legislative session now done, legislators are getting down to business. Legislators are spending their days in meetings – working out the details of bills, holding subcommittee meetings to get input from interested groups, and hearing presentations in committees.

While the snow slowed down the number of groups coming to the Capitol last week (but not all of you hearty tourism stock), legislators were stuck in Des Moines and kept themselves busy by taking action on a couple big bills.

- ★ The House of Representatives passed the school aid bill, allowing school funding to grow next year by 4%. This gives schools \$112 million more for the school year starting in 2009.
- ★ The House Commerce Committee passed the controversial bill that bans smoking in all public places by a 16-6 vote. There are several bills in the Legislature that address smoking in public places, some allowing cities and counties to ban smoking locally and others expanding Iowa's current smoking ban to include restaurants and bars. The bill moves to the House floor this week. It is the most comprehensive, requiring a statewide ban on smoking in all public places.
- ★ Democratic leaders announced a "Health Care for All" initiative this week, but stopped short of mandating all people have insurance, similar to what Massachusetts did. Instead, legislators proposed a series of measures to improve the quality and efficiency of the health care system, and require all parents get health insurance for their kids either through Medicaid, a sliding fee scale assistance program, or private insurance.
- ★ Trouble is brewing over two cultural program bills ([HSB 569](#) & [SSB 3067](#)). These bills "require Department of Cultural Affairs establish a statewide culture, history, arts, and tourism program, and implement the program by creating regional committees for coordination of cultural efforts." These new regions would be in addition to the current tourism regions, which is duplicative and unnecessary. Iowa's tourism regions work – they are strong and successful. Why create yet another layer? Iowa's Tourism Office funds the tourism regions, each has a director and offers grants, educational programming, and networking opportunities. We certainly do not need legislation that would create regions for tourism when we already have these regions! Please encourage your legislators to use the current tourism regions!

Lawmakers continue to struggle with the budget – with most of the activity on budgets occurring behind the scenes as leaders attempt to develop a balanced budget and zero in on budget targets (how much each budget subcommittee is allowed to spend).

Legislators are about one month out from the filing deadline for the 2008 elections. Any legislator wanting to run for re-election must file their papers by March 14). This week, another legislator announced his retirement – Rep. Phil Wise of Keokuk decided this would be his last year in public service (after more than two decades of service). Rep. Wise becomes the 12th legislator to retire at the end of 2008. Here is a total list those retiring:

- Rep. Carmen Boal (*Polk County*)
- Rep. Dan Clute (*Polk County*)
- Rep. Chuck Gipp (*Allamakee & Winneshiek Counties*)
- Rep. Clarence Hoffman (*Crawford, Ida, Monona & Woodbury Counties*)
- Rep. Libby Jacobs (*Polk County*)
- Rep. Walt Tomenga (*Polk County*)
- Rep. Phil Wise (*Lee County*)
- Sen. Jeff Angelo (*Adams, Clarke, Decatur, Montgomery, Ringgold, Taylor & Union Counties*)
- Sen. Mike Connolly (*Dubuque County*)
- Sen. Thurman Gaskill (*Cerro Gordo, Franklin, Hancock, Winnebago, & Worth Counties*)
- Sen. Mary Lundby (*Linn County*)
- Sen. John Putney (*Benton, Grundy, Iowa & Tama Counties*)

Two Democratic State Representatives are leaving the House to run for the State Senate. They are Rep. Pam Jochum representing Dubuque County, and Rep. Swati Dandekar representing Linn County.

Tourism News

A skeleton crew of tourism advocates braved the snow and came to Des Moines this week for the annual Tourism Showcase – and we are so very glad they did! The 2008 Tourism Showcase was hugely successful despite the inclimate weather.

In a testimony to what they think about our annual event, legislators postponed their Mardi Gras party by two hours in order to give themselves time to visit with tourism professionals, drink blue margaritas, warm up with some Templeton Rye, eat some Webster County shrimp, pick up some corn dogs and kettle corn and so many other goodies.

And turn out they did – 31 Senators and 58 Representatives braved the elements to attend the Showcase in the new building at the Fairgrounds. Want to know if your legislator made it out? We have attached a list of legislators that attended Tourism Showcase (those attending are in bold).

Tourism and quality of life are important elements to attracting a young workforce – and retaining us old people. State officials and the Generation Iowa Commission unveiled a new Web site geared toward young people this week. GenerationIowa.com — described as "the one-stop Web site for everything young Iowa" — is slated to be launched as part of the Generation Iowa Commission's meeting at Iowa State University, officials said.

Commissioners will be joined by members of the Iowa Careers Consortium and the state Department of Economic Development. "For the very first time, everything young Iowans want will be in one spot," Economic Development Director Mike Tramontina said. "Young people will be able to connect to Iowa events, recreation, careers and each other."

One of TFI's top issues this year is transportation – and funding to make sure our bridges and roads are safe and maintained. Lawmakers and advocates agree that their transportation plan (called TIME-21) is a solid one – they cannot agree on how to fund it. Yet.

Pressure has been mounting around the Capitol for TIME-21 funding. A few bills have been introduced to provide a very small portion of the \$200 million-plus need, but only one provides a diverse and comprehensive funding structure ([HSB 628](#)).

The bill ([HSB 628](#)) was introduced by House Transportation Committee Chair Geri Huser. The bill generally relies on increases and adjustments in title fees and registration fees. We should have an idea soon of how much revenue this bill would raise.

You can help make the case for TIME-21 – attend one of the Transportation Town Hall Meetings that Senators Tom Reilly and Larry Noble, Chair and Ranking Member of the Senate Transportation Committee, will be hosting this month. They hope to gather valuable input and ideas at these meetings – so please try to attend one of these meetings and ask legislators to support funding for TIME-21.

Thursday, February 21, 2008

3:00 p.m. - 4:15 p.m. – GRUNDY CENTER

King Memorial Library, 708 7th Street (319/825-3607)

6:00 p.m. - 7:30 p.m. – WEST UNION

Country Hills Golf Course, 10280 Echo Valley Road (563/422-3482)

Friday, February 22, 2008

8:00 a.m. - 9:30 a.m. – DUBUQUE

350 E. 3rd Street, Port of Dubuque (563/557-9545)

11:00 a.m. - 12:30 p.m. – DAVENPORT

John O' Donnell Stadium, 209 S. Gaines St.
(563/333-2726)

2:30 p.m. - 4:00 p.m. – BROOKLYN

Manatt's Co., 1775 Old 6 Road (641/522-9206)

Thursday, February 28, 2008

3:00 p.m. - 4:30 p.m. - JEFFERSON

Jefferson Community Building, 204 W. Harrison (515/386-3412)

6:00 p.m. - 7:30 p.m. – STORM LAKE

Location TBA

Friday, February 29, 2008

9:00 a.m. - 10:00 a.m. – SIOUX CITY

Sioux City Public Library, Gleeson Room, 529 Pierce St. (712/255-2933)

Noon - 1:00 p.m. – GLENWOOD

Visitor's Center, Glenwood Resource Center Campus, 110 Main Street (712/527-3298)

3:00 p.m. - 4:00 p.m. – OSCEOLA

Terrible's Lakeside Casino, 777 Casino Drive (641/342-9511)

Important Bills for Tourism Professionals

HOUSE BILLS

HF 2006 - Special Destination Park Deer Hunting License - Allows the DNR director to issue 500 nonresident deer hunting licenses for hunting in destination parks. The purpose of the special nonresident licenses is to allow the promotion of state parks that are designated destination parks. *House Natural Resources Committee; Rep. Davitt (Chair), Arnold & Reichert*

HF 2080 - Donated Property for Conservation/Tax Credits - Gives people or companies who donate land for conservation a tax credit in the amount of 50% of the fair market value of the property, up to \$100,000. The credit may be carried forward for twenty years. Effective 1/1/2008. *House Floor; Rep. Frevert (Floor Manager)*

[HF 2112](#) - DNR Dam & Lake Restoration - Appropriates \$100,000 from RIIF (gaming) for dam restoration and lake maintenance in Delaware County. *House Appropriations Committee; Rep. Cohoon (Chair), Huseman & Reichert*

[HF 2130](#) - River Water Trail - Appropriates \$100,000 from RIIF (gaming dollars) for infrastructure improvements for a river water trail located in Jones County. *House Appropriations Committee; Rep. Cohoon (Chair), Huseman & Reichert*

[HF 2194](#) - Minimum Wage Code Update - This bill replaces minimum wage requirement exemptions in the Code that are tied to the federal Fair Labor Standards Act. Currently, the Code adopts by reference exemptions to the federal Fair Labor Standards Act that were in place when Iowa's minimum wage law was enacted in 1989, but which were repealed from the United States Code on November 17, 1989. The federal provision allowed a retail or service establishment to pay employees engaged in certain services less than the federal minimum wage if more than 50 percent of the establishment's annual dollar volume of sales of goods or services is made in the state in which the establishment is located and 75 percent of whose annual dollar volume of sales of goods or services is not for resale. The bill provides that the state's minimum wage requirements do not apply to an enterprise whose annual gross volume of sales or business done, exclusive of excise taxes at the retail level which are separately stated, is less than \$300,000, unless the enterprise is engaged in the business of laundering, cleaning, or repairing clothing or fabrics; is engaged in construction or reconstruction; is engaged in the operation of hospitals, facilities serving the elderly or persons with mental or physical illnesses or *House Floor; Rep. Jochum (Floor Manager)*

[HSB 535](#) & [SSB 3057](#) & [SSB 3128](#) Endow Iowa Tax Credit Increase - Increases the total annual tax credits allowed under the Endow Iowa program from \$2 million to \$3 million. Also reduces the annual percentage granted to an individual taxpayer from 5% to 3 1/3%. *House Economic Growth Committee; Rep. Wenthe (Chair), Anderson & Helen Miller; Sen. Schmitz (Chair), Seng & Ward; Sen. Schmitz (Chair), Beall & Houser*

[HSB 557](#) - DED Changes - This bill makes a number of changes affecting the administration of the department of economic development. The bill allows the DED director to appoint a designee to serve on the vision Iowa board and allows the DED to use funds from the renewable fuel infrastructure fund to market its renewable fuel programs. The bill limits the tax credits available to investors in film projects to 25 percent of a project's qualified expenditures in the state. The bill directs the department, in coordination with other state and local entities, to develop and market a new tourism program to create new, and promote existing, recreational and leisure opportunities in the state. The bill strikes a number of the department's existing reporting requirements and reconstitutes them instead under a different Code Section and standardizes the department's reporting requirements by providing for a single, consolidated annual report to the governor and the general assembly due by January 31 of each year. The bill allows the DED to contract with service providers for commercialization development services on a case-by-case basis, and it also authorizes the department to spend the additional moneys it recaptures from loan payments and federal economic stimulus funds provided it spends those moneys on the implementation of consultant recommendations for certain *House Economic Growth Committee; Rep. Thomas (Chair), Hoffman & Schueller*

[HSB 569](#) & [SSB 3067](#) Records Preservation and Civil War - Requires the Historical Division of the Department of Cultural Affairs (DCA) create a digital collection of records for research purposes and make the collection available to the public. Requires DCA establish a statewide culture, history, arts, and tourism program, and to implement the program by creating regional committees for the coordination of cultural efforts. Establishes a Civil War Advisory Committee to help the Historical Division plan a sesquicentennial commemoration of Iowa's role in the American civil war. *House Economic Growth Committee; Rep. Helen Miller (Chair), Staed & Wiencek; Sens. Black (Chair), Behn & Schmitz*

[HSB 628](#) - TIME-21 Funding - This bill would generate funds for deposit into the TIME-21 Fund to be used for transportation infrastructure through a variety of fee increases and adjustments. The bill would capture revenue increases from registration fees and would raise registration fees on 2010 or newer pick-up trucks to rates similar to SUVs and minivans. "Business trade trucks" would allowed to use a lower fee schedule and would require a IRS Schedule C or F form for proof. The bill would adjust fees and schedules for all passenger vehicles while ensuring that fees will not rise for a specific vehicle and owner until the

owner changes vehicles. Fees for special trucks for farm use are increased, as well are title fees and salvage title fees. The bill also increases the fee charged for registration of trailers and contains several other changes. A revenue estimate of how much this bill would generate for TIME-21 will probably be available within the next few weeks. *House Transportation Committee;*

SENATE BILLS

SF 2001 - Sales Tax Exemption/Nonprofit Performing Arts - Exempts the sale of materials and services used in the operation of a nonprofit private performing arts center from state sales tax, and allows sales tax paid on construction materials to build a nonprofit private performing arts center to be refunded (applies to construction contracts signed on or after 1/1/2005). *Senate Ways & Means Committee; Sen. Schmitz (Chair), Connolly & Ward*

SF 2044 - Truck Registration Fees - This bill revises the method for calculating annual registration fees for motor trucks with an unladen weight of 7,500 pounds or less. Currently, most such trucks are registered based on combined gross weight for an annual fee of \$65, which is reduced to \$55 when the vehicle is more than 10 model years old, \$45 after 13 model years and \$35 after 15 model years. The bill requires that 2010 and subsequent model year motor trucks be registered under the weight and value system that applies to most passenger vehicles. Currently under that system, registration fees are equal to 1 percent of the value of the vehicle plus 40 cents for each 100 pounds of weight of the vehicle. Registration fees based on weight and value are automatically reduced according to the age of the vehicle beginning when the vehicle is more than five model years old. The bill does not alter the current flat fee schedule, which will continue to apply to 2009 and previous model year trucks. *Senate Transportation Committee; Not yet assigned*

SF 2045 - School Start Date Change - This bill changes, effective for the school year beginning July 1, 2009, the earliest school start date to August 25 and eliminates the authority of the director of the department of education to grant a request made by a board of directors of a school district to commence classes prior to the earliest starting date allowed, which currently is no sooner than a day during the calendar week in which the first day of September falls or, if the first day of September falls on a Sunday, a day during the prior week. The bill makes a conforming change to eliminate an exemption from aid reduction for early school starts, unless the exemption is for a school district approved to implement an innovative school year. Without the waiver, the school district's state aid payments are reduced by 1/180 for each day of that fiscal year for which the school district begins school before the earliest starting date allowed. *Senate Education Committee; Sen. Kreiman (Chair), Beall & Boettger*

SF 2059 & HSB 540 State Historical Society & Lost Items - Makes the State Historical Society responsible for administering the Iowa Heritage Fund. The bill also removes division III from Code chapter 304A, which contains an indemnification program for special exhibit items lost or damaged while on loan to nonprofit organizations or governmental entities in Iowa. *Senate Floor; Rep. Helen Miller. (Chair), Staed & Wiencek; Sen. Schmitz (Floor Manager)*

SF 2105 & HF 2190 Hotel/Motel Tax Election - Specifies the voters who are eligible to vote at an election to impose, repeal, or change the percentage rate of a hotel and motel tax. Under the bill, only registered voters of the city shall be permitted to vote for tax changes proposed only within city limits, and only registered voters of the unincorporated areas are permitted to vote for changes proposed only in unincorporated areas. *Senate Local Government Committee; Not yet assigned*

SF 2106 - New Gambling Moratorium - This bill establishes a moratorium preventing the racing and gaming commission from issuing a new license to conduct gambling games on an excursion gambling boat, gambling structure, or at a pari-mutuel racetrack on and after January 1, 2008. The bill takes effect upon enactment and is retroactively applicable to January *Senate State Government Committee; Not yet assigned*

SSB 3058 - Tax Code Clean-Up - Allows a privately owned library or art gallery being used for public purposes (and not for private profit) to receive a property tax exemption. Effective 7/1/2008. *Senate Ways & Means Committee; Sen. McCoy (Chair),*

SSB 3140 & HSB 636 Health Care for All (Universal Health Care) - Implements many of the recommendations of the Affordable Health Care for Small Businesses, Families & Individuals Commission that met this summer. Five bills will be introduced to enact recommendations coming from that commission, but this bill contains the most controversial and comprehensive elements of those recommendations. Creates a Health Care Coverage Exchange to continue the work of the commission to ensure all Iowans have health insurance that is affordable, and recommend steps to make progress as funding becomes available. The Exchange is a new state agency, governed by an independent board of directors headed up by former Governors Branstad and Vilsack. The Exchange is to find a way to mandate children's health insurance by the end of 2009 (including enrolling all kids eligible for Medicaid and hawk-i, and through a new sliding fee scale assistance program). Beginning 2010, all parents will need to show proof of insurance for their kids. The Exchange is also to work on a mandate for individual health insurance coverage (requiring everyone have proof of coverage). Also sets up the structure to create a "medical home" to encourage more collaboration of health care providers, expand the use of telemedicine and electronic health records, and creates a new division in the Department of Public Health to expand access to *Senate Human Resources Committee; Sen. Hatch (Chair), Bolkcom, Ragan, Seymour & Johnson; Rep. Foegen (Chair), Gayman & Heaton*

2008 Top Tourism Priorities

- ★ Increase the Iowa Tourism Office's budget to the Midwest regional average of \$8.3 million.
- ★ Maintain a traditional school year calendar.
- ★ Support infrastructure funding (Time 21).

Important 2008 Dates to Know:

- ★ Friday, March 7, 2008: First "Funnel" (bills must be voted out of committee of origin to stay alive)

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