

## Under the Golden Dome, Too

Week seven at the Capitol was a week for the history books. We finished debate on HF 333 (Prevailing Wage Bill), and House Republicans along with 5 Democrats voted on the side of the taxpayers and defeated this bill. After leaving the vote open for over 67 hours, the Speaker finally closed the machine on Monday, February 23, and the bill failed on a 49-49 vote. The majority leader switched to no vote in order to put a motion to reconsider on the bill, meaning that it is still eligible for debate at a later date. I do expect this issue to come back.

As I write, we are preparing to debate the Allowable Growth, HF 415 and 416, for FY 2011. The bills set the numbers at a 2% increase in educational funding. While the bill sets the allowable growth, it does not make an appropriation. If the money is not fully appropriated, over \$58 million dollars will go to property tax increases.

Due to excessive spending in the 2007 and 2008 legislative sessions, there is not enough revenue to cover expenditures. We are also debating HF 414, an "Appropriation Adjustment" bill that mostly shifts money around rather than cutting spending. The concern we must face is that we are kicking the can down the road on controlling spending, and soon it will be a fifty gallon barrel that obstructs the road completely. In both the October and December 2008 Revenue Estimating Conference, the estimate of expected revenue for FY 2009 (the current year) was decreased. Those predictions were accurate.

Here in Des Moines, the word stimulus is being treated like a proper noun...STIMULUS. We must all remember that this is one-time money that sometimes comes with significant strings attached. We must identify the funding source that will be used to replace this money two years from now when STIMULUS leaves town. The purpose of the stimulus money was to create jobs...it appears most of those jobs will be in government.

Senate Democrats are trying to take away your federal deductibility. Sen. Mike Gronstal said, "Clearly federal deductibility is a gigantic benefit to the wealthiest Iowans and some mechanism that would move away from that simplify our tax code and give a break to middle class families is something that we're very much interested in." This is a \$600 million tax increase for Iowans. It is also double taxation. The chart showing how this affects every household in Iowa can be found on the website at [www.iowahouserepublicans.com](http://www.iowahouserepublicans.com). These numbers are from the Department of Revenue. I'm interested in your thoughts. The way I read the chart, it affects everyone...not the wealthy.

I would also like to take this time to invite you to go to my website at <http://iowahouserepublicans.com/members/linda-upmeyer#index> to participate in a short survey regarding the gas tax, education and health care. I would greatly appreciate your input. Please bookmark the site because I will be posting regular surveys in the upcoming weeks. Continue to contact me at [linda.upmeyer@legis.state.ia.us](mailto:linda.upmeyer@legis.state.ia.us) or 515-281-3221.