

Under the Golden Dome, Too

Week 4 at the Capital was a week that the House Republicans unveiled our new website designed to encourage Iowans' input for budget savings. The page is located on www.iowahouserepublicans.com and is part of the Republicans' plan to bring more truth and transparency to Iowans.

House Republicans have promised to dive into budgets to find waste and cost-saving measures. With this addition to our website, we're hoping Iowans will help us find ways to cut costs. This feature will be a useful tool for us, and it also allows Iowans to interact more closely with their government.

Last month, a group of Republicans filed the Iowa Taxpayer Transparency Act of 2009 which would develop a single, searchable website for Iowans to see how and where their taxpayer dollars were being spent. Republicans have also previously asked the governor to freeze spending on pork projects and review unfilled full-time employee positions as a way to reduce spending and balance the state budget.

As of Tuesday, February 3, the website had over 1000 unique visitors and over 200 budget saving ideas. House Republicans will compile all of the ideas and present them to the budget subcommittees as the Legislature moves through the budget process this session.

While the Governor likes to talk of making deep reductions in how state government is funded without increasing taxes, he has recommended the legislature approve the costliest budget in the history of Iowa. This budget is a 2.4% increase from Fiscal Year 2009 and he pays for it all on the backs of hardworking Iowans and small businesses. On January 28, 2009, Governor Culver released his Fiscal Year 2010 budget request. In it the Governor advocates for increasing taxes in the following ways:

- Reduction of the Homestead Property Tax Credit by \$49.9 million.
- Elimination of \$2 million designated for the Livestock Producer's Tax Credit.
- Elimination of \$13 million for the Research and Activities Tax Credit. This credit is equal to 6.5% of qualified research expenditures. The credit is allowed for the portion of the company's research expenditures that can be apportioned to Iowa. It is a refundable credit in the year claimed, meaning companies receive tax refunds if tax liability does not exceed the value of the credit. Only five states have the refundable component tied to it, a key to keeping quality research and jobs here in Iowa.
- Placing a cap on the Business Assistance Tax Credit eliminating \$15 million from the program.
- Cutting the amount of state aid for school districts. The current allowable growth rate is placed at 4%. The Governor's budget recommends the state contribution to equal 2% while simultaneously giving the school districts the authority to spend 4%. This misguided suggestion has the ability to increase property taxes on Iowa families and businesses by as much as \$40 million.

House Republicans are approaching the budget process with several questions in mind one of which is, what in this budget encourages employers to invest in Iowa to drive the kind of job creation required to turn this economy around?

Clearly, the answer is not a tax increase on the very businesses making that investment, or on the citizens struggling and working to make ends meet.

I was also grateful this week to Dr. Frank Beaty, Judie Beaty of Zion Evangelical and Reformed Church of Garner, IA. Dr. Beaty was my guest along with Sen. Bartz on Feb. 10th in which he led the opening prayer for the House of Representatives and the Senate Chambers.