

Your Capitol Voice **Representative Jeff Kaufmann**

The first week of the session was a flurry of activity. During this initial period, there are many conversations about bill drafts, co-sponsor requests, legislative strategies, and session priorities. Last week I also had a lot of constituents stop by to lobby me on issues ranging from Elder Abuse to Veterans program to the tax on diesel fuel. It is always great to see people from home.

The Governor's State of the State Address was presented on Tuesday. As usual there were initiatives with which I agreed and several areas where I have significant disagreement.

Areas of agreement included the Governor's proactive and future-oriented renewable fuels initiatives. I see this area as crucial to our energy independence as well as further economic development. (Something the Governor calls "green collar" jobs.)

I also agree with his desire to follow through with promises made to our k-12 system, including the teacher quality plan. His full funding of the regents universities should help to lower tuition costs, although I believe there are some areas of financial waste in these institutions that need to be better scrutinized.

I agree with many of his health care proposals such as offering access to the uninsured, capping long-term care insurance increases, and more aggressive pooling options to help group insurance rates. What wasn't mentioned is a specific initiative to help the soaring costs of health insurance for small businesses. It seems like the promise to use the revenue from the increased tobacco tax is already a distant memory, at least for small businesses.

Areas of disagreement include two areas of the budget that seemed to be targeted for lower priority and funding: community colleges and the Veterans Trust Fund. To raise tuition at our community colleges (an outcome of the Governor's budget) is unacceptable. This directly affects our lower and middle-income students. I also strongly oppose the ignoring of the Veterans Trust Fund, a centerpiece to the agenda of most of our veterans' groups. I was quite vocal in my opposition. In fact my quotes were used on the front page of the *Des Moines Register* twice last week. I will work with legislative Democrats to hopefully rectify this.

Officially the Governor's budget is a 6% growth in spending, but it is actually much, much higher. Growth appears to be lower due to delayed expenditures, supplemental expenditures made now but actually for next years' budget, and perhaps most disconcerting are the interest-only bonds including some that would be used for general fund expenditures. These political shell games are certainly legal ways to make a large growth in government seem more fiscally responsible, but an overall 6.4 billion dollar budget is not acceptable to me.

The previous eight budgets were bipartisan (Democratic Governor and Republican legislature) and together they increased spending about one billion total during the entire eight years. This Governor and legislature have increased spending by one billion dollars during their first two years. This is not sustainable and will lead to either drastic cuts or tax increases, neither of which is good for Iowa.

The Governor said nothing about property tax reform and relief. Waiting until after the next election to act should make us all nervous.

Finally I will not vote to raise taxes when revenues are the highest in decades. If taxes are raised now, how will sustainable funding occur later? My advice to the Governor and legislative leaders is to admit that too much money was spent too fast and readjust. I will not vote to raise taxes because of the lack of fiscal discipline. One ploy may be to place some very important programs on a list then tie the list to a tax increase in order to obtain votes for the tax. Despite the political difficulty of voting no, I will do so. My votes (which are your votes) will not be held hostage to political leveraging. Another strategy will be to spin the tax increases as fee adjustments or closing a loophole. Look for this spin to come early.

During this time of excess revenue we should fill up the funds from which we borrowed. For example, the Senior Living Trust Fund (despite the political spin) will be nearly empty at this rate of spending by the end of the year. Much more about spending and taxes in future columns.

Capitol Visitors this week: Ann Neville, Patty Hamann, Dick Moon, Tipton; Marlin Hillyer, Bennett; Delbert and Virgil Kruckenberg, Lowden; Wayne Frauenholtz, West Branch; Jim Keppy and Ken Rochholz; Durant; David Mohr, Wilton.

Please contact me with your opinions and questions.

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