

STATE ISSUES FROM SANDS

House District 87

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News from the Hill...

The Majority Party finally released the budget balance sheet on day 92 of the 100-day session. The democrats will spend \$691.2 million more this year than the budget in 2007 according to Fiscal Services. After including the over \$50 million carried over from the last fiscal year, and roughly \$90 million in general fund spending, the increase reaches \$831 or 15.6% above adjusted spending than fiscal year 2007. This, however, is still significantly less than the Governor's proposed spending. The problem is there has not been an agreement between the Senate, House and Governor on the total amount to be spent. Therefore, the spending most likely will be higher than this.

Credit Union Bill...

House File 2384 addresses the acts relating to the deposit of public funds with corporate credit unions. This bill was a noncontroversial bill until an amendment was attached to the bill in the Senate giving the state chartered credit unions what is known as the self-executing wild card. The credit unions say they need this for parity with the Federally Chartered Credit Unions. However, there is only 1 federally chartered credit union in the state of Iowa and 142 state chartered credit unions. This action gives the state chartered credit unions the ability to cherry pick from the best of both worlds, both federal and state. Banks do not have the self-executing wild card and they should never be able to attain this right. The law change goes directly against the dual financial institutional regulation. This amendment gives the state's authority of regulation over to the federal government. In other words, anytime the federal government made a law change affecting federally chartered credit unions, the state chartered credit unions would automatically get this same change. The changes would never go to the legislature for debate; instead, it would just automatically happen. This legislative right should never be given to any of the state regulated agencies.

This amendment looks to be harmless, but in reality, this drastically changes the way state chartered credit unions will attain new rights through the federal government. This goes against the very idea of federalism. The state should never give up this power to the federal government. These are the reasons I oppose this amendment. This bill, with the amendment, passed the Senate. It has not yet been debated on the House floor at this time.

TIME-21 Through the House...

House File 2691 provides revenue to the TIME-21 Fund, establishes a business truck option, and eliminates the motor vehicle Use Tax on most vehicles. Instead, a "Fee for New Vehicle Registration" is established. HF 2691 passed both chambers and was sent to the Governor for his signature after many months of meetings and several changes. In fiscal year 2009, \$11.6 million in new money will be brought into the budget. This would be divided up between the State \$7 million, and the cities and counties would each get \$2.3 million. Presently Iowa brings in 1.1 billion dollars in the road fund and has a \$15 billion budget. We should have been able to find an additional \$200 million for our roads instead of raising fees. I voted no on the fee increases.

State Wide Curriculum Standards...

Senate File 2216 places statewide core curriculum for school districts and accredited nonpublic schools. By a vote of 56-41, the House approved H-8432 to SF 2216, which calls for rigorous state content standards. This bi-partisan amendment sets the learning bar much higher than did the Democrats last year. Nine democrats and 46 Republicans, including myself, voted for the amendment. The bill passed the House 97-3 as amended.

For more information on these and other bills: <http://www.legis.state.ia.us>

“We cannot change the direction of the wind...but we can adjust our sails.”

Anonymous

Until next time, don't forget to adjust your sails

Tom Sands