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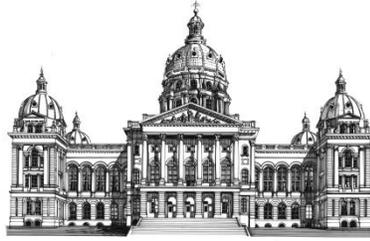
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## **The Senate**

State of Iowa

*Eighty-fifth General Assembly*

STATEHOUSE

Des Moines, IA 50319

## COMMITTEES

Commerce, Ranking Member

Labor and Business Relations

State Government

Transportation, Infrastructure, and Capitals

Appropriations Subcommittee

# The Anderson Report

Thank you for the honor of representing you in the Iowa Senate. Please feel free to contact me with your questions, comments and ideas. You can reach me at **712-898-2505** or email to **bill.anderson@legis.iowa.gov**.

The debate over education reform continues in conference committee this week. We have discussed this issue over the past two years, but have yet to find resolution. I remain hopeful we can find common ground and pass a reform package which will enhance our children's educational opportunities.

## **Education Reform**

Some of the most important work done during the legislative session is completed in conference committees. In conference committees, bills are messaged (a ping-pong match between the two chambers) until both House and Senate members reach a final, agreeable version. Education reform is currently in a conference committee comprised of an equal number of Democrats and Republicans who have met the last few weeks to hammer out details of legislation that will help Iowa students compete at a global level.

Funding of an education reform plan continues to be a point of contention as the conference committee meets. Senate Democrats have boldly put a 4% allowable growth price tag on reform and push to spend more taxpayer dollars with fewer accountability measurers. Senate Republicans understand true education reform will be a long road with costs associated with implementation; however, spending must be responsible and student-centered.

House Republicans made a good faith offer that would meet the Senate Democrat funding demands. The House Republicans plan to keep intact policy language and appropriations for their bill, a 2% increase in allowable growth for Fiscal Year 2014, plus a one-time payment equivalent of 2% allowable growth. Finally, they offered a 4% increase in allowable growth for Fiscal Year 2015.

Even though the percentage of funding offered meets the Senate Democrats' requirements for education reform, they are now crying foul and claiming the offer is neither genuine nor enough money. It is unfortunate that political gamesmanship and petty fights are grabbing headlines as the conference committee moves forward.

The future of our education system and the type of education it can provide to our children should be every legislator's priority. While the conference committee is tasked with hammering out differences between the House and Senate bills, Senate Democrats have become preoccupied with grandstanding and political games. When presented with exactly what they want – 4% allowable growth – they make an irresponsible grab for more money. It is time to put our children above partisan politics and enact true, responsible reform that prepares Iowa's children to compete in the global economy.

## **Update: Property Tax Reform**

The property tax bill, SF 295, was on the Senate debate calendar Monday, but ultimately was not debated. The fact is Democrats oppose the House bill as they are fearful of going on record against legislation that will benefit all Iowa property owners. This is just another example of Senate Democrats playing games with this important issue.

One of the features of the House bill is a new multi-residential property tax classification. This adds a new classification to the property tax code that would include properties such as nursing homes, assisted-living facilities, residential care facilities, mobile home parks, and manufacture home communities. They would be taxed as commercial properties for the first year, and then rolled back to 60% over the next four years, at which point, they would be treated as if residential.

Another piece would cause an immediate and drastic reduction in telecommunications property taxes. The bill would provide that Central office equipment be exempted from taxation. Land, building, and outside plants would then be rolled back to 80% for the first year, and remain at 60% for the second year and the years to follow.

Senate Democrats have proposed time and time again legislation that does not reform the tax-code. They have continued to advocate for tax credits for commercial property. The truth is tax credits are rarely funded, resulting in a lack of real tax relief. Under the Senate Democrats' plan, Iowans continue to be burdened by some of the highest property tax rates in the United States.

The senate majority leader was recently quoted in the Sioux City Journal as saying this property tax bill wasn't "anything more than a political document." The fact remains that House and Senate Republicans will continue to partner with Governor Branstad to advocate for real reform.