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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

This year I introduced SF32 which provides property tax relief for Iowa homeowners who are 65 or older with a household income of \$25,000 or less. How are Iowa property taxes determined? Initially, the assessor estimates the value of your property. Each local government then determines the budget necessary to fund the services provided. Based on this information a tax rate is reached. Your property taxes are basically this rate multiplied by the value of your property.

The bill would “freeze” various components outlined above for qualifying senior Iowans. This legislation is designed to freeze or prevent any increase in the value of a qualifying home from one year to the next. The value of the home will be capped at the value which the individual applies for the program. In addition, if the property taxes billed by a local government against a qualified property exceeds the property taxes billed in the prior year the increase is to be subtracted, freezing the amount that must be paid at a lower level.

If signed into law, the “freeze” will be applied to future property tax bills required to be paid beginning in 2014. This bill is another attempt to provide relief to Iowans who pay enough taxes.

This past week I had the opportunity to learn more about education savings accounts which allow parents to choose not to enroll their child in a public district or charter school and receive a deposit of public funds into government authorized savings accounts with restricted, but multiple, uses. Those funds can cover private school tuition and fees; private instruction, tutoring, and training; and higher education expenses at an Iowa college or university. Advocates believe this will allow parents of K-12th grade students to maximize the number of options during this critical time in their child’s educational development. We all agree that a quality education is vitally important. Education Savings Account (ESA) will level the playing field for parents who lack the resources to make changes in their child’s education or who feel stuck in underperforming schools.

### Key Components

- An Education Savings Grant (ESG) will be deposited to each pupil’s Education Savings Account (ESA) equal to 100% of the average per-pupil state aid
- Parents would apply through Dept. of Education and the program would be administered by the Department of Management
- Qualified expenses would be identified and include tuition, fees, curriculum materials, etc.
- ESAs may be opened for students in nonpublic schools or those who are homeschooled
- Fraud protection built in (insurance and/or surety bonds, audits, vendor approval, etc. are all options)

I believe parents are best suited to choose the most effective educational method for their children. However, it is unlikely that ESA’s will be debated in the Senate this year. We will continue to look for avenues to expand educational opportunities, not restrict them.

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](mailto:bill.anderson@legis.iowa.gov). Have a great week!