

# Join Me at a Town Hall Meeting!

I am looking forward to seeing you at my town hall meetings, all of which will be held on Saturday mornings. These meetings are scheduled all over my district in Bremer, Butler, Chickasaw and Floyd counties and are set as follows:

Saturday, Jan. 27th in Greene at the Greene Public Library from 9 to 10 a.m.  
Saturday, Jan. 27th in New Hampton at the New Hampton Public Library from 11 a.m. to Noon

Saturday, Feb. 3rd in Sumner at Sumner Public Library from 9 to 10 a.m.  
Saturday, Feb. 3rd in Nashua at the Nashua Welcome Center (Gateway to Northeast Iowa Welcome Center) from 11 a.m. to Noon  
Saturday, Feb. 3rd in Fredericksburg at Upham Memorial Library from 1 to 2 p.m.

Saturday, Feb. 10th in Parkersburg at the Parkersburg Public Library from 9 to 10 a.m.  
Saturday Feb. 10th in Allison at the Allison Public Library from 11 a.m. to Noon  
Saturday, Feb. 10th in Denver at the Denver Community Room from 1 to 2 p.m.

Rep. Charley Thomson will join me for the meetings in his district.

## Governor's Priorities

### Budget

The governor gave her "Condition of the State" speech last week and outlined her priorities. She has proposed her budget and her plan is to spend \$8.9 billion from the General Fund in FY 2025. This is an increase of \$367 million, which is 4.3% higher than the current fiscal year.

Among the major items in the governor's budget are:

- 1) \$62 million increase for Supplemental State Aid (SSA) for schools, which is a 2.5% increase
- 2) \$96million for teachers' salaries, which will be built into the base

- 3) \$51 million increase for Educational Savings Accounts (ESA's)
- 4) \$12.4 million increase for the Regents schools
- 5) \$5.7 million increase for community colleges
- 6) \$1.3 million increase for the Iowa Tuition Grant
- 7) \$35 million increase for Medicaid - \$1.7 billion total
- 8) \$14.6 million increase for HCBS providers
- 9) \$6.7 million increase to the mental health regions to serve Iowans needing mental health and intellectual disability services.

## **Income Taxes**

This coming session we will build on the income tax cuts passed in the past couple years, which by the way, on January 1<sup>st</sup> of this year the top income tax rate fell from 6% to 5.7%. Right now a flat rate of 3.9% is scheduled to be in place by 2026. We have already repealed the tax on retirement pay, repealed the inheritance tax, and repealed the mental health property tax levy. More money in Iowans' pockets helps family budgets, especially in inflationary times, and is the best way to stimulate the economy and make Iowa competitive with other states.

The governor is proposing accelerating the tax rate reduction to a flat tax this year with a rate of 3.65% for all taxpayers and further reduce the flat tax to 3.5% next year and beyond.

## **Property Taxes**

Property tax reform continues to be an issue we will look at. There has been a lot of concern from property owners about rising property taxes, especially as assessments have risen. Property taxes are the most unfair tax because they rise whether your income rises or not. Iowa is one of the worst ranked states for property taxes: 40<sup>th</sup> out of 50 states.

Last year we passed a property tax bill to help control the growth of property taxes. There has been some misunderstanding about that bill. If a city or town is not experiencing growth, the tax levy adjustment

mechanism, which is the tool used to help control the growth of spending and property taxes, does not impact their budgeting ability. But if there is growth in a city or town, a portion of the excess growth is used to lower property tax rates. This bill will not cut money from any local government. It only slows how fast and how much it grows. We are looking at letting local governments go through a budget cycle to see how this bill will actually affect their finances before we take another step.

## **Education**

AEA Reform - The governor is proposing reform of the Area Education Agency system. This proposal has undergone some changes. Below is the latest version proposed. Among all the issues the governor is proposing this is the one that is drawing the most attention and the most concern. I have heard from numerous constituents troubled about this proposal:

- 1) Special ed funds, education services funds, including federal funds. will go to the school districts who will get to decide how to spend that money to serve special education students as well as all students.
- 2) Currently the schools simply pass those funds to the AEA's. Under this proposal the schools can decide to use the current or another AEA or contract with another district or districts or a private company or provide the services in-house.
- 3) AEA's will be required to provide if requested: special education services, general education services, Early Access and Child Find services for children from birth to 3 years old, and media services.
- 4) AEA's will not provide professional development services.
- 5) The Dept. of Ed. Will now have oversight of special ed.
- 6) The AEA will have an executive director that reports to the Dept. of Ed and AEA salaries will be brought in line with state employees pay.
- 7) Reasons given by the governor for the change:
  - a. Currently AEA's have no meaningful oversight
  - b. Concerns about administrative salaries being out of line compared with other state employees and school district employees
  - c. Proficiency gaps for special ed students in testing
  - d. U.S. Dept. of Education threatening to impose changes it wants to make if Iowa doesn't make changes voluntarily

Literacy: The governor is proposing:

- 1) Require teachers, as every other state does, to pass a nationally recognized test for teaching literacy.
- 2) Education majors must pass the Foundations of Reading assessment.
- 3) Schools must develop personalized reading plans for students in the 3<sup>rd</sup> through the 6<sup>th</sup> grade who are not proficient in reading.

Teacher Pay: She proposes increase the starting pay for teachers to go from \$33,500 to \$50,000 and a minimum salary set for teachers with at least 12 years of experience at \$62,000.

Public Charter Schools: She wants to use federal funds to support new or high-performing existing charter schools. Allow vacant or underutilized public school district facilities to be available for lease or purchase by other nonpublic or charter schools.

## **Health Care**

The governor is proposing to realign the 13 Mental Health and Disability Service (MHDS) regions into 7 behavioral health districts focused on mental health and substance use disorder services.

She is proposing to expand Medicaid to cover pregnant women through 12 months of postpartum care. Included is a proposal to lower the eligibility threshold for participation.

She proposes a program called Thrive Iowa to have community non-profits and faith-based groups assist in certain HHS programs.

## **Other**

Pornography: She proposes to implement age verification to get on porn websites.

State Government Reorganization: She wants to implement the recommendations of the Boards and Commissions Review Committee made in September of last year.

Foreign Land Ownership: The governor wants to make the law prohibiting foreign governments or entities from owning ag land to be stricter.

Unemployment Insurance Reform: She is proposing to reduce the Unemployment Trust Fund balance requirement and the maximum rates, a measure intended to help businesses cut costs.

Feel free to contact me with ideas, thoughts, and concerns. My phone is 319-987-3021 or you can email me at [sandy.salmon@legis.iowa.gov](mailto:sandy.salmon@legis.iowa.gov) . I want to hear what you are thinking and will listen to your input. Together we will work to make a difference for the future of Iowa. Thank you very much for the honor of representing you!

Sincerely,

***Sandy***