



## **GUEST OPINION**

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### **Looks like we'll have to wait for bigger steps**

**By Mike Owen**

Iowa families took a couple of important steps forward during the just-completed legislative session. We'll have to wait until a future session for more — and more significant — advancements.

Steps forward paled in comparison to lawmakers' refusal to address long-term funding challenges for critical services including K-12, early childhood education and Child Care Assistance, among others.

And, inexplicably, lawmakers left Iowa's minimum wage at a paltry \$7.25 — stagnant now for more than six years.

In the Iowa City area, Iowa Policy Project research shows a basic-needs budget demands more than three times that — \$22.37 an hour — for a single mom with one child, just to make ends meet.

When businesses won't pay what low-wage workers need and the state doesn't demand it, families face stiffer challenges because public supports are not adequately funded.

A case in point: Child Care Assistance. Eligibility is capped in Iowa at a lower level than in most states. Lawmakers could have fixed it and did not.

One bright note of exception came with approval of new rules making it easier for working parents who also go to school part time to get help with child care. This has been a serious barrier for parents seeking to improve their education and work prospects.

Another bright spot came with 4 percent funding increases to the University of Iowa, Iowa State University and the University of Northern Iowa to meet the Board of Regents' plan to freeze tuition for a second straight year. Likewise, community colleges received a 4.1 percent funding boost to restrain tuition.

Through recent years tuition has become a greater source of funding than state aid for Regents institutions and community colleges. So the move to hold down the upward curve in tuition for a second year counters trends that build debt for students and families and reduce access to higher education.

As for K-12 school funding, the failure to set school growth for FY2016 as required by law not only was a poor civic example, but will make it difficult for school districts to plan and to negotiate teacher contracts, carefully and on schedule.

The excuse typically offered by House leadership — that revenues were too uncertain to make a school-aid commitment over a year in advance — is not how lawmakers treat corporate giveaways. These poorly targeted and seldom tracked entitlements carry big costs, yet go on year after year without a vote, committing the state to millions in future years.

No noteworthy gains were made or seriously attempted to reform that kind of spending. One exception: an expansion of the tax credit for solar systems, which could be expected to withstand the kind of return-on-investment review that should be applied to all credits.

Spending through the tax code or through the budget process needs attention to the bottom line and to public benefits. Lawmakers offered a good example there with a boost to REAP (Resource Enhancement and Protection). That environmental stewardship program, repeatedly held below its authorized level, will receive \$25 million if Gov. Terry Branstad approves.

A year after highly questionable choices on property-tax legislation and tax credits averaging \$1 a week to selected taxpayers (costing over \$80 million), this was a welcome and unusual step. After years of retrenchment, we are better off using strong revenues as a source of reinvestment in the assets that make Iowa a great place to live.

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