



## **GUEST OPINION**

*North Scott Press, Eldridge  
July 8, 2015  
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### **Governor's words ring hollow; property taxes will go up**

**By Mike Owen**

Governor Branstad's words ring hollow in his decisions to cut education funding and to prevent greater access to child care assistance.

First, the Governor is whacking \$55.7 million in one-time funding for local schools and area education agencies from a budget compromise reached over many months by legislators. To defend this and other vetoes, the Governor speaks of concern about across-the-board cuts, when there is no threat of that possibility. These one-time funds for education were designated for one-time uses — in deference to the Governor's previously stated concerns. The veto leaves schools with only 1.25 percent growth in the cost per pupil for the new fiscal year, well below schools' actual costs — a legislative decision that will drive up property taxes for many districts. Neither the Governor nor the Legislature can claim accurately that they have provided sufficient funds for Iowa's public schools, and the conclusion to this question comes 16 months past the

legal deadline.

Second, low- and moderate-income Iowans face severe "cliff effects" — a sharp loss of resources — when their income rises enough to end their eligibility for child care assistance. A vetoed provision of SF505 would have lessened this effect for an estimated 200 families and nearly 600 children each month. These families, whose incomes are just below 150 percent of the federal poverty level (about \$36,400 for a family of four), would have become eligible for child care assistance. This would have been a small but significant first step toward reducing the cliff effect. The Governor talks about increased incomes, but his veto means families will not be able to accept or seek small pay increases if it means they could no longer afford child care. The Governor's claim that an improvement would "perpetuate" the cliff effect is to totally misunderstand the impact of this important benefit for low-income working families.

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*Editor's Note: The material above is an excerpt from a July 2, 2015, statement by Mike Owen on behalf of the Iowa Fiscal Partnership about actions taken that day by Governor Branstad on school funding and legislation that would have expanded eligibility for child-care assistance. The North Scott Press ran the statement alongside a relevant excerpt of Governor Branstad's veto message on the school funding legislation, House File 666, passed during the 2015 legislative session.*