

**1/12/18, Week 1**

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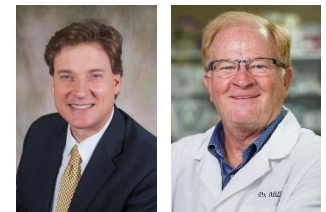
**Introduction**

The second session of the 87th General Assembly gavelled in at 10am Monday morning. Leaders in both chambers gave welcome back speeches, highlighting their agendas that include several issues such as water quality, tax reform, skilled workforce and ensuring Iowans have access to affordable health care.

Leaders made mention of the tight budget—calling for innovative and bipartisan approaches to the State’s challenges that lay ahead. One of the first pieces of legislation the chambers will take up is a deappropriations bill for the current fiscal year (FY 2018). The bill is expected to claw back somewhere between \$25M to 40M. There is consensus amongst both chambers and the Governor’s office that water quality will be another early bill addressed during the 2018 session.



The House welcomed two new Representatives this year. Jon Jacobsen (R – Treynor) won House District 22, a seat that became vacant upon the death of Rep. Greg Forristall in May. The district encompasses the majority of Pottawattamie County, including a portion of eastern Council Bluffs. Phil Miller (D – Fairfield) won House District 82 upon the death of Rep. Curt Hanson this summer. At present, the House has one vacancy with the move of Rep. Carlin to the Senate; Senator Carlin won the vacant Senate seat formerly held by Senator Bill Anderson who resigned this fall due to a job opportunity. A special election is set for January 16<sup>th</sup> to fill Carlin’s Sioux City seat.



*Left: Rep. Jon Jacobson  
 Right: Rep. Phil Miller*

The House and Senate is still controlled by Republicans and the leadership in both chambers did not change. The House’s current composition is 58 Republicans and 41 Democrats. The composition in the Senate is 29 Republicans, 20 Democrats, and 1 Independent. Leaders in the House and Senate are the same with Rep. Linda Upmeyer (R – Clear Lake) as Speaker, Rep. Chris Hagenow (R – Windsor Heights) as Majority Leader, Senator Jack Whitver (R – Ankeny) as Senate President, and Senator Bill Dix (R – Shell Rock) as Majority Leader.

### Governor's Condition of the State and Budget

Governor Kim Reynolds delivered her first-ever Condition of the State address on Monday, highlighting her aggressive agenda which includes her Future Ready Iowa initiative. The Governor laid out several priorities; these include:



- A broadband initiative to connect rural Iowans, ensuring all rural communities continue to maintain and attract Iowans.
- Tax reform addressing individual taxes, changing Iowa's law that allows Iowans to deduct Federal taxes, lowering taxes and simplifying the tax code. Reynolds noted her support of looking at corporate tax deductions but describing this as a multi-year initiative that would not be accomplished during the 2018 session.
- Fixing the individual health insurance market, saying Iowa can't wait for the Federal government to fix the crumbling individual market.
- Reynolds highlighted the new Medicaid Director and DHS Director that she believes will fix the problems that have plagued the Medicaid managed care system in Iowa.
- Mental Health was also highlighted by the governor, introducing a new initiative with Des Moines University and the National Alliance on Mental Illness to train doctors to identify mental health issues in patients. Additionally, she supports the development of more short-term facilities for people with mental illnesses and lifting the bed "cap" on sub-acute care beds.
- Dealing with the opioid crisis in Iowa by expanding the prescription monitoring program (PMP), increasing intervention efforts and medicated assistance treatment (MAT) programs, and reducing the volume of opioids a practitioner is able to prescribe.
- Future Ready Iowa goals and job training programs that have been successful in Iowa.

As is customary, Governor Reynold's budget was released on Tuesday after the delivery of her Condition of the State address. A summary of the budget can be found [here](#). The Governor's budget includes a plan for the FY 18 deappropriation and her proposal for FY 19. For FY 19, the total budget is proposed at \$7.447 billion general fund plan that would be approximately 2.7% (or \$196M) more than the current revised budget (which is proposed to be cut by approximately \$34.7 million for FY 18).



To eliminate the shortfall for the current budget year, the Governor's proposal would de-appropriate \$19.4 million in mostly "across-the-board" cuts while also making a \$10 million adjustment in Medicaid spending.

Highlights of her budget include:

- \$54 million increase in K-12 state aid, which amounts to approximately a 1.5% increase
- \$8 million for education reform
- \$13 million for higher education
- \$77 million for Medicaid and childcare
- \$2.6 million for Future Ready Iowa job training programs.

## **Forums**

Below are links to calendars containing information for legislative forums. As more forums are published, more links will be available.

<a href="#">House Democrat Legislative Forums</a>
<a href="#">Senate Democrat Legislative Forums</a>
<a href="#">Senate Republican Legislative Forums</a>

## **In the News**

1. ["Terry who? Gov. Kim Reynolds forges her identity in Condition of the State speech"](#)
2. [Fact Checker: Kim Reynolds' Condition of the State address](#)
3. [Genesis: Taking on more Medicaid patients would be difficult](#)
4. [Iowa Public Universities Facing Another \\$5.1M Cut](#)
5. [New CMS guidelines allow work requirements for Medicaid recipients](#)
6. [Iowa Lawmakers see red light ahead for traffic cameras](#)