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Cornerstone Iowa Newsletter Friday, January 19, 2024

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Week in Review

In honor of Dr. Martin Luther King, Jr. Day, the legislature did not convene on Monday, and legislators returned Tuesday to start the second week of session.

The scheduling of bill subcommittee meetings really picked up steam this week. The House held 40 bill subcommittees throughout the week, and the Senate held 23. Bill subcommittee meetings are the first major step for a bill in the legislative process, and they allow the public to give input to legislators on a bill. A bill subcommittee is typically made up of three legislators, two majority party members and one minority party member. After getting input from the public, the members vote on whether to recommend passage of the bill to the standing committee.

Two resolutions were passed on the floor this week. On Wednesday morning, the House and Senate passed <u>HR 102</u> and <u>SR 102</u>, which addressed the stigma around the term mental health and recognized the term brain health. On Thursday morning, the House passed <u>HR 101</u>, which affirmed lowa's support for Israel and condemned the Hamas attack on Israel on October 7, 2023.

Judiciary and House Commerce passed through bills. The Senate has not yet passed any bills through committee.

The Governor's proposed Area Education Agency (AEA) bill (<u>HSB 542</u> and <u>SSB 3073</u>) was a significant topic of discussion this week. Her initial proposal would modify the structure and powers of AEAs, limit AEAs to only special education services, and provide that an AEA can only offer special education services if requested by a school. Additionally, the bill provides for a \$50,000 minimum salary for teachers and a \$62,500 minimum salary for teachers with twelve or more years of experience. However, after discussion with legislative leaders and feedback from interested members of the public, the Governor put out two press releases on <u>Thursday</u> and <u>Friday</u> that indicate she will be scaling back her proposal. Stay tuned for updates on proposed changes.

Friday marks the final day that individual legislators can request for bills and joint resolutions to be drafted.

Bills of Interest

HSB 543 - Governor's tax bill

- Combines the Cash Reserve Fund and the Economic Emergency Fund.
- Lowers the individual income tax rate to 3.65% for 2024 and 3.5% starting in 2025.
- · Penalizes over-withholding.
- Requires a taxpayer filing a return to make estimated tax payments if lowa income tax liability can reasonably be expected to exceed \$1,000.
- Exempts lump sum distributions of retirement income from lowa income tax.
- Makes changes to assessment limitations for property tax purposes for commercial child care facilities.
- Makes changes to unemployment insurance, including calculations for determining contributions, the value of the weekly wage average, and contribution rates for benefits.

Latest Action: Introduced on January 10 and referred to House Ways and Means.

<u>HSB 537</u> - Reinsurance requirements for county and state mutual insurance associations

 Specifies that county mutual insurance associations and state mutual insurance associations may reinsure coverages with a company that is in compliance with lowa Code chapter <u>521B</u>, rather than one licensed in lowa.

Latest Action: Bill subcommittee held on Wednesday. Passed through House Commerce on Thursday.

SF 174 - Building design element regulation by governmental subdivisions

 Prohibits governmental subdivisions from adopting or enforcing regulations that govern building design elements in three primary manners, which are described in the bill.

Latest Action: Bill subcommittee held on Thursday. Bill passed on to Senate Local Government.

 Allows registered off-road utility vehicles to be operated on state park road systems and anywhere within the boundaries of a state park that a motor vehicle required to be registered under lowa Code chapter <u>321</u> is authorized to operate.

Latest Action: Bill subcommittee held on Thursday. Passed on to Senate Natural Resources and Environment.

Budget Subcommittees

On Wednesday, the House budget subcommittees met for the first time this session. The purpose of a budget subcommittee is to discuss and draft the next fiscal year's budget for the specific agencies it is responsible for. There are seven budget subcommittees covering all agencies funded by the state: Health and Human Services; Economic Development; Education; Administration and Regulation; Justice System; Agriculture and Natural Resources; and Transportation, Infrastructure, and Capitals.

At this week's meetings, legislators heard from LSA analysts about the Governor's budget recommendations. See below for links to the LSA's analysis of these recommendations for each budget subcommittee.

- Health and Human Services
- Economic Development
- Education
- Administration and Regulation
- Justice System
- Agriculture and Natural Resources
- Transportation, Infrastructure, and Capitals

Future budget subcommittee meetings will consist of presentations by department heads to inform legislators about their department's work and needs. There have been no updates from the Senate regarding if it will hold budget subcommittee meetings this session.

Iowa Caucus Recap

At long last, the 2024 lowa caucuses have happened! Due to the recent snowstorms and negative temperatures, turnout was lower than expected, but approximately 110,000 lowans still attended the Republican caucus on Monday. Former President Trump was declared the winner not long after the caucuses had started, and by the time all the votes were in, Trump had captured 51% of the vote. Coming in 30 points behind were Florida Governor Ron DeSantis and former U.N. ambassador Nikki Haley. DeSantis ended the night in second place with 21% of the vote, and Haley was a close third with 19% of the vote. After ending the night with 8% of the vote, Vivek Ramaswamy officially dropped out of the race and endorsed Trump. Trump won in 98 of Iowa's 99 counties; Haley won in Johnson County by one vote. Based on the night's results, Trump received 20 delegates, DeSantis received 9, Haley received 8, and Ramaswamy received 3.

 Organizing still matters in Iowa. The two candidates who built robust statewide organizations, Trump and DeSantis, finished in first and second place.

- Trump's turnout was impressive given the weather and his support from firsttime caucus-goers.
- Christian conservatives sided with Trump.
- · Caucus results were clear, quick, and accurate.
- News outlets drew criticism for calling the race for Trump before voting had concluded.

The Democratic caucus also occurred on Monday, but the night consisted only of conducting party business and discussing party platforms. The expression of presidential preference is being conducted via mail. The last day to request a presidential preference card for the Democratic caucus is February 19. Results will be released on March 5.

The next step in the nominee selection process is the New Hampshire primary, which is set for Tuesday, January 23. Based on the Real Clear Politics average from January 4 to 16, Trump is polling in first place and 13.2 points ahead of Haley in New Hampshire.

Cornerstone's Election Outlook

Check out our 2024 Election Outlook, created by Cornerstone's politics experts! The 2024 Election Outlook outlines the characteristics of the 2024 election cycle at the presidential, congressional, and gubernatorial levels. Click below for access!



Upcoming Town Halls

Representative Taylor Collins

January 19 at 8:00am Burlington, IA

Representative John Wills

January 20 at 8:30am Emmetsburg Chamber of Commerce, 1121 Broadway St, Emmetsburg, IA

Representative Barb Kniff McCulla

Representative Craig Johnson

January 20 at 9:00am Farm Bureau, Arlington, IA

Representatives John Wills and Megan Jones

January 27 at 9:00am Spencer City Hall, 101 W 5th St, Spencer, IA

Representatives Dan Gehlbach and Eddie

Representatives Steve Holt and Brian Best

January 20 at 10:00am
Shelby County Chamber Office, 1901
Hawkeye Avenue, Suite 101, Harlan, IA

Representatives Michael Bergan, Chad Ingels, and Anne Osmundson

Farm Bureau Legislative Forum January 20 at 9:00am Arlington Event Center, Arlington, IA

Representative Michael Bergan

Farm Bureau Legislative Forum January 20 at 11:30am NICC Campus, Calmar, IA

Representative Ray Sorensen

January 20 at 2:00pm Olive Branch, Greenfield, IA

Representatives Tom Determann and Norlin Mommsen

January 20 at 9:00am Camanche City Hall, Camanche, IA

Representatives Tom Determann and Norlin Mommsen

January 20 at 11:00am DeWitt Community Center, DeWitt, IA

Representative John Wills

January 27 at 11:00am Tweeters, 1027 HWY 71, Okoboji, IA

Representatives Barb Kniff McCulla and Helena Hayes

January 27 at 8:30am Smokey Row Coffee, Oskaloosa, IA

Representative Tom Moore

January 27 at 8:00am Shenandoah, IA

Representative Ken Carlson

January 27 at 10:00am Sioux City Museum, Sioux City, IA

Representative Tom Moore

January 27 at 10:00am Clarinda, IA

Representative Ann Meyer

January 27 at 8:30am Triton Cafe, Fort Dodge, IA

In the News

- Des Moines Register: 5 things we learned from Donald Trump's landslide victory in the 2024 lowa Caucuses.
- Des Moines Register: Perry High School Principal Dan Marburger, wounded in Jan.
 4 shootings, dies early Sunday.
- <u>Telegraph Herald: Iowa bill would increase Medicaid mental health payouts for</u> children with severe needs.
- The Gazette: Iowa officials preview plan to overhaul behavioral health care.
- The Gazette: With Iowa losing pharmacies, lawmakers advance new rules.
- <u>lowa Capital Dispatch: Bill would expand lowa's medical cannabis program to include flower products.</u>
- Radio Iowa: Lawmakers consider product liability protection for Iowa retailers.
- The Gazette: Rising malpractice premiums price small clinics out of gender-affirming care for minors.
- Des Moines Register: Kim Reynolds walks back Area Education Agency changes, allows general education services.

Subscribe	Past Issues	;				Translate ▼	
	RM 315	10:00 Education RM 116 11:00 Local Government RM 116	10:00 Workforce RM 116 11:00 Transportation RM 116				
	Noon	Noon	Noon	Noon	Noon		
	1:00 SESSION	1:00 Agriculture RM 116	1:00 Commerce RM 116		On Rules and Call Administration		
	2:00 Veterans Affairs RM 116	2:00 Natural Resources and Environment RM 116	2:00 State Government RM 116				
	3:00 Appropriations RM 116	3:00 Judiciary RM 116	3:00 Technology RM 116				

House Week 3 Schedule

Monday, January 22		Tuesday, January 23		Wednesday, January 24		Thursday, January 25		Friday, January 26
		8:30 9:00	Natural Resources RM 19 Labor and Workforce RM 102, Sup. Ct. Consult Judiciary RM 103, Sup. Ct. Chamber	9:00	Public Safety RM 19 Economic Growth and Technology RM 102, Sup. Ct. Consult State Government RM 103, Sup. Ct. Chamber Veterans Affairs RM 102, Sup. Ct. Consult Transportation RM 103, Sup. Ct. Chamber	8:30 10:00	SESSION Natural Resources RM 19 Labor and Workforce RM 102, Sup. Ct. Consult Judiciary RM 103, Sup. Ct. Chamber	
Noon			Noon		Noon		Noon	Noon
1:00	SESSION Budget Sub Block 1 Admin and Reg Rm 19 Ag and Nat Res. Rm 102 Eco Dev. Rm 103	1:00	Local Government RM 19 Agriculture RM 102, Sup. Ct. Consult Health and Human Services RM 103, Sup. Ct. Chamber	1:00	Ways and Means RM 102, Sup. Ct. Consult Appropriations RM 103, Sup. Ct. Chamber House HR Training Make-Up RM 304	1:00	Health and Human Services RM 103, Sup. Ct. Chamber	Note: Policy subcommittee times will be available: 1 hour prior to gavelin, during the noon to 1 hour, and for one hour following the conclusion of the last policy committee meeting each day
3:30	Budget Sub Block 2 Justice Rm 19 RIIF Rm 102 HHS Budget Rm 103 Education Rm 304	2:30	Education RM 102, Sup. Ct. Consult Commerce RM 103, Sup. Ct. Chamber					

2024 Session Timeline

The full 2024 legislative calendar can be found here. Below are key dates of interest.

JANUARY 8 - First day of session.

JANUARY 9 – The Governor's Condition of the State address. Governor Reynolds will discuss her budget and policy priorities.

FEBRUARY 16 – *First Funnel*. Final date for Senate bills and joint resolutions to be reported out of Senate committees and House bills and joint resolutions out of House committees.

MARCH 15 – Second Funnel. Final date for Senate bills and joint resolutions to be reported out of House committees and House bills and joint resolutions out of Senate committees.

APRIL 16 – 100th calendar day of the session. Per diem expenses end.

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Please don't hesitate to reach out to our team with any comments, questions, or concerns.







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Cornerstone is a full-service, bipartisan consulting firm specializing in federal and state government relations, public affairs and strategic communications, and advisory services.

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