

## NEWSLETTER FROM REPRESENTATIVE TOM SANDS

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## My Committee Summaries

### Appropriations

On Monday, January 31, the Governor released his budget recommendations for fiscal year 2006. Despite promising to reduce expenditures in the base budget via the new Purchasing Results system, the Governor proposed a whopping \$535 million spending increase (12 percent over enacted fiscal year 2005 appropriations) and used the new system to justify increasing the cigarette tax by 80 cents per pack.

Since the “built-in spending” increases were estimated at \$555 million, the Governor essentially refused to make any tough choices in his budget and set the state up for a huge tax increase in fiscal year 2007.

The Governor’s budget is increasing spending by 8 percent over what is estimated to be spent for fiscal year 2005, when revenue is only growing by 3.3 percent. This is fiscally reckless ensuring a massive tax increase in fiscal 2007. The 8 percent spending growth is not sustainable in future years and it is obvious that the Governor is not running again because he would not want to have to clean up the mess his budget will leave behind.

### Administration and Regulation Appropriations Subcommittee

The Administration and Regulation Budget is comprised of state departments and agencies including: the Department of Administrative Services, Auditor of the State, Iowa Ethics and Campaign Disclosure Board, Department of Commerce, Office of the Governor and Lieutenant Governor, Terrace Hill Quarters, Iowa Drug Control Policy Office, Department of Human Rights, Department of Inspections and Appeals, Department of Management, Iowa Public Employees’ Retirement System (IPERS), Secretary of State, Department of Revenue and Treasurer of State.

The Governor’s budget recommendation for this subcommittee is an additional \$8.1 million over the fiscal year 2005 estimated appropriations.

### Commerce, Regulation & Labor

For several years, many in Iowa have said one of the ways to get economic development to rural communities is to improve their access to high speed Internet services. This talk has spawned a number of proposed bills in the Legislature, seeking to authorize millions of dollars in new spending to bring high speed Internet access to rural Iowa. Instead of

diverting state funds to increase access, it now appears that the marketplace has taken great strides to fix the problem.

The Iowa Utilities Board released its fourth assessment of Iowans' access to high speed Internet services, finding that there is significant improvement in Iowans' access to this service. In 2000, only 28 percent of the 917 rural communities surveyed had access to high speed Internet. The latest survey found that 72.6 percent of these communities now have access. For urban areas, there has also been dramatic growth in access.

The local independent telephone companies have done a great job in southeast Iowa. As the need for Internet access increases in today's economy, Iowa communities – both rural and urban – appear to be well positioned to meet the needs of business and families.

### **Public Safety**

In Public Safety there is a HF 173, which makes it a crime for any person to possess, use, or control a false compartment in a vehicle with the intent to store, conceal, smuggle, or transport contraband. The bill also makes it a crime to construct, build, alter, or fabricate a false compartment or to install or attach such a compartment to a vehicle with the intent to store, conceal, smuggle, or transport contraband. A violation of either provision is a serious misdemeanor punishable by confinement for no more than one year and a fine of at least \$250 but not more than \$1,500. This legislation has been introduced in previous years, but has failed to be considered on the floor of the House.

Until next week,

Tom Sands