



STATEMENT

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IFP Statement: Opportunity for Governor Reynolds New Governor Takes Office Facing Issues that Demand Leadership

Statement of Iowa Fiscal Partnership • Mike Owen, Iowa Policy Project

Iowa has a new Governor. We cannot say that very often, as only four individuals previously held the office over the last 48 years. The swearing-in today of Governor Kim Reynolds offers all Iowans, including the Governor, an opportunity to lead us past the divisive and cloistered decision making of the last six years.

- Over 367,000 Iowans are in poverty, including 105,000 children, despite their families' hard work and long hours. A 12 percent poverty rate is daunting, but far greater shares of Iowa households — particularly single and single-parent households — cannot make ends meet on what they earn in our low-wage state. This imposes extra demands on taxpayers who also frequently subsidize low-wage employers due to poorly designed economic development strategies.
- Nearly 239,000 Iowans are employed in state and local government. Legislative attacks in 2017 dishonored their service. Trust needs to be restored. That starts by recognizing the contribution of these workers to our economy, and honoring our commitments to them.
- More than 300,000 Iowa workers — about 1 in 10 Iowans, *plus* the families they support — would benefit from a meager minimum wage increase to \$10.10. Anything less than that is inadequate, especially when federal policy changes in the works would undermine work-support programs such as the Earned Income Tax Credit.
- Iowa spends hundreds of millions of dollars on tax breaks that have no demonstrated net benefit to the state, while underfunding our most important investment opportunity — in public education, from pre-K through post-secondary institutions.
- Iowa water quality is an embarrassment as well as a health hazard. It's time to get it cleaned up and to demand that those causing the pollution contribute to the solutions.

The most controversial policy changes of 2017 came in a climate that undermined Iowa's longstanding reputation of good governance. Backroom dealing and abbreviated debate must not become the norm.

We stated at the end of the legislative session that history “will mark 2017 as a low point in Iowans' respect and care for each other.” Governor Reynolds could change that. The legacy of 2017 does not have to be limited to the failure of vision, and the lack of compassion, stewardship and justice, that marked the legislative session. And, it is fair to note, 2018 could be even worse unless we change course.

Governor Reynolds has a chance to help us do more, and do it better. We wish her the best, and hope she will reach out to all Iowans to achieve collaboration on the way forward for Iowa.

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The Iowa Fiscal Partnership is a joint public policy analysis initiative of two nonpartisan, nonprofit, Iowa-based organizations — the Iowa Policy Project in Iowa City, and the Child & Family Policy Center in Des Moines. Find reports at www.iowafiscal.org, and the IPP and CFPC websites, www.iowapolicyproject.org and www.cfpciowa.org.

The Iowa Policy Project
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