

Legislative Newsletter

Jan. 29, 2016



UCC has day on the hill

The Legislature just wrapped up its third week and things are in full swing. This week, the House passed a federal tax updates bill and the Urban County Coalition visited leadership on the hill.

UCC representatives visited the Capitol Tuesday afternoon to have meetings with leadership about the group's priorities, particularly mental health funding. This visit coincided with a Health and Human Services budget committee meeting, which had presentations from CEO's of certain mental health regions. Though the CEO's present reported success with delivering services since regionalizing, they also expressed uncertainty about what would happen after fiscal year 2017 when funding runs out. Several said they were trying to spend down their fund balances, but worried about how they would pay for services being offered now that could be potentially cut in the long term unless a solution presents itself.

Thursday, the House passed HF 2092 with mostly bipartisan support. This bill would update the Iowa Code by coupling with updates to the federal Internal Revenue Code, including section 179, the research and development credit and additional credits.

The critical difference between the House position and the Governor's is the couple chose not to couple for FY 15 the accelerated depreciation for businesses making equipment purchases -- the cost to the Iowa budget would be nearly \$100 million. The House opted to

Gary Grant, CEO
Cell 319.721.5977
gary@grantconsultingllc.com

Larry Murphy, CFO
Cell 319.361.2834
larry@llmurphy.com

Meghan Malloy, General Counsel
Cell 515.321.5825
mvmalloy83@gmail.com

L&L Murphy Consulting / Grant Consulting

include that depreciation schedule so Iowa businesses would not have to maintain two sets of books for Iowa taxes for Tax Year 2015. That decision will challenge the General Assembly to come up with either additional funds from reserve funds or make cuts equaling \$100 million in the current Fiscal Year to equal \$100 million.

That bill goes to the Senate for consideration.

The coalition of organizations working on E-911 met Thursday. The groups will start its request for 60 percent of the surcharge being sent to the local public safety answering points (PSAP's), which would result in between \$50,000-\$55,000 in grants. We will continue to meet for discussion as the issue progresses.

Jan. 22 was the deadline for legislators to individually file bill draft requests. However, committees and the committee chairs may introduce new legislation during any point of the legislative session, as long as they get the bills out of their committee by February 19th. It eventually has to clear the committee in the other Legislative Chamber March 11.

We will keep you abreast of the developments on this bill.

Gary Grant, CEO
Cell 319.721.5977
gary@grantconsultingllc.com

Larry Murphy, CFO
Cell 319.361.2834
larry@llmurphy.com

Meghan Malloy, General Counsel
Cell 515.321.5825
mvmalloy83@gmail.com