PROOF

STATE OF IOWA

Senate Journal

TUESDAY, JANUARY 11, 2011

Printed daily by the State of Iowa during the sessions of the General Assembly. An official corrected copy is available for reference in the Secretary of the Senate's Office. (The official bound copy will be available after a reasonable time upon adjournment.)

JOURNAL OF THE SENATE

SECOND CALENDAR DAY SECOND SESSION DAY

Senate Chamber Des Moines, Iowa, Tuesday, January 11, 2011

The Senate met in regular session at 9:05 a.m., President Kibbie presiding.

Prayer was offered by Dennis St. Lawrence, pastor of the Grace Baptist Church in Chariton, Iowa. He was the guest of Senator McKinley.

The Journal of Monday, January 10, 2011, was approved.

COMMITTEE FROM THE HOUSE

A committee from the House appeared and announced that the House was ready to receive the Senate in joint convention.

In accordance with <u>House Concurrent Resolution 1</u>, duly adopted, the Senate proceeded to the House chamber under the direction of the Secretary of the Senate and the Sergeant-at-Arms.

The Senate stood at ease at 9:09 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 9:45 a.m., President Kibbie presiding.

JOINT CONVENTION

The joint convention convened at 9:50 a.m., President Kibbie presiding.

Senator Gronstal moved that the roll call be dispensed with and that the President of the joint convention be authorized to declare a quorum present, which motion prevailed by a voice vote.

President Kibbie declared a quorum present and the joint convention duly organized.

Senator Gronstal moved that a committee of six, three members from the Senate and three members from the House, be appointed to notify Governor Chester J. Culver that the joint convention was ready to receive him.

The motion prevailed by a voice vote, and the Chair announced the appointment of Senators Dearden, Horn, and Anderson on the part of the Senate, and Representatives Pettengill, Baltimore, and Kajtazovic on the part of the House.

Secretary of State Matt Schultz, Secretary of Agriculture Bill Northey, Auditor of State David A. Vaudt, and Attorney General Tom Miller were escorted into the House chamber.

The Chief Justice and the Justices of the Supreme Court and the Chief Judge and the Judges of the Court of Appeals were escorted into the House chamber.

Lieutenant Governor Patty Judge was escorted into the House chamber.

Mari Culver, the Governor's wife, and their children, Clare and John, were escorted into the House chamber.

The committee waited upon Governor Chester J. Culver and escorted him to the Speaker's station.

President Kibbie presented Governor Chester J. Culver, who delivered the following Condition of the State Address:

Members of the General Assembly, President Kibbie, Speaker Paulsen, Leaders: Gronstal, Upmeyer, McCarthy and McKinley, thank you for the opportunity to address this joint session of the Legislature.

To my fellow statewide elected officials, members of the Iowa Supreme Court and Iowa Court of Appeals, thank you for being here this morning.

I want to congratulate the newly elected legislators and statewide officials, including Governor-elect Branstad and Lt. Governor-elect Reynolds, on your victory. I wish you Godspeed and good luck in the future.

To members of our Board of Regents, including President Miles, and University Presidents Mason, Geoffrey and Allen, I want to say it's been a pleasure to work with you. It's fair to say that no state in the nation enjoys the leadership and recognition that our three outstanding public universities do. The same is true for the leadership of our community colleges and private colleges.

As the commander in chief of the Iowa National Guard, I would like to acknowledge the outstanding leadership of Adjutant General Tim Orr, and thank the men and women who wear the uniform.

We are now in the midst of the largest single overseas deployment of Guard troops since World War Two. 3,100 of our brave fighting men and women are currently deployed in Afghanistan.

Sadly, during the last decade, 77 Iowans have given the ultimate sacrifice in Iraq and Afghanistan. Hundreds more also have been injured. We honor their sacrifice today and I ask you to always keep our military families in your thoughts and prayers.

I am often inspired by the words of one of my heroes, President John F. Kennedy, who said, "The greatest tribute is not to utter words, but to live by them."

That's why I am so proud last year Iowa became the first state in America to pass the top ten recommendations from the U.S. Department of Defense to support our troops, their families, and our veterans.

One of the highlights of my term was having the opportunity to visit and spend time with our troops, in Iraq, Kosovo, and at Camp Ripley in Minnesota, during predeployment training.

Finally, what a tremendous honor for me, to formally recognize Iowa's own Staff Sgt. Salvatore Giunta after he was awarded the Medal of Honor.

So, we've kept our promises to our brave men and women in uniform and our state is stronger for it.

I stand before you, for the last time, entrusted by the constitution with the duty of updating you about the condition of our state. As you can imagine, I do so today with a broad range of emotions.

First of all, I am confident our administration has left the state in a better position than we found it. In fact, last fall Iowa was acknowledged in a national publication as the 3rd best run state in the nation.

So, I am happy to report the condition of our state is strong today, and we are well-positioned for growth, greatness and prosperity tomorrow.

This is especially true when it comes to renewable energy, our children, new 21st Century jobs, and disaster recovery.

Today, Iowa is number one in the nation in renewable energy. We now generate 20 percent of our power from renewable sources, up from just 5 percent four years ago.

With the help of our private sector partners, including MidAmerican and Alliant Energy, in the past four years we've built 40 wind farms. We're one of only 2 states manufacturing wind towers, turbines and blades, the three component parts of a windmill. And, more than 200 Iowa small businesses are now employing thousands of people in the wind energy supply chain.

We have more than 4,700 windmills operating across the state, enough to power more than 1 million homes. And, exciting new transmission plans are now in place to build out our electric grid. This will allow Iowa to one day sell excess power to cities like Chicago. So, we have accomplished our goal of becoming the renewable energy capital of the United States.

One of the tools we used to accomplish this goal is the Iowa Power Fund. It has allowed Iowa to become the silicon prairie of the Midwest. To date, we've invested more than a quarter of a billion dollars, in public and private funds, into 40 cutting edge 2nd and 3rd generation research and development projects. These breakthrough technologies and solutions will help Iowa secure its renewable energy future.

To Chairman Fred Hubbell and the members of the Iowa Power Fund Board, and to Roya Stanley, Director at the Office of Energy Independence, I salute and thank you for your visionary work.

We've also helped increase production of biofuels statewide by supporting and expanding tax credits for biodiesel, ethanol and E-85 at the federal and state level. And, this year, as Chairman of the National Governor's Biofuels coalition, we successfully pushed for an E-15 waiver from the Environmental Protection Agency. This will allow Iowa to produce millions more gallons of ethanol annually and keep us on a pathway toward energy independence.

When it comes to investing in Iowa's children, we also have made great progress. Today, we are number one in the nation in children's health insurance. No state has done more to cover kids in the last four years. We've added 58,000 kids to the rolls, and as a result 99 percent of Iowa's children are now getting basic health care services.

In addition, we are leading the nation in expanding access to preschool. During the last three years alone, 23,000 additional children have been enrolled in early childhood education programs. As a result, 90 percent of 4 year olds now have the opportunity to attend a quality preschool program, up from just 5 percent a few years ago.

We've also had a clear and consistent focus on creating new 21st Century green-collar and information technology jobs. Our state is now home to more than 8,000 green-collar jobs, and 8 new wind energy companies are now operating in Iowa. In addition, three international information technology companies, Google, Microsoft and IBM, have created nearly 2,000 new IT jobs in the last 3 years.

And, thanks to our Department of Economic Development and its board of directors, we've partnered successfully with 280 businesses that have agreed to create or retain a total of 28,000 good-paying Iowa jobs.

In addition, our workforce development efforts have allowed for real progress in coordinating the needs of our employers with the skills of our workers. Community college enrollment is at an all-time high and our successful community college job training and worker retraining programs have allowed us to help more than 100,000 Iowans find a job.

So, our job creation and workforce development efforts are now paying big dividends. In fact, our unemployment rate is now at 6.6 percent, or 33 percent below than the national average, and the 7th lowest in the nation.

As a result, Iowa has now regained more than a third of the jobs it lost during the recession and just last week it was reported that we're now on track to reach prerecession employment levels by the third quarter of 2012.

These efforts have allowed Iowa to lead the country out of the recession. 13 of our 19 largest companies just reported double-digit stock gains in 2010, and we are the only state in the nation to post 14 consecutive months of sustained economic growth. These positive signs, coupled with our \$950 million surplus, clearly show the strength of Iowa's economy.

You know, these last four years have been challenging times for all of us. Together, we've faced unprecedented natural disasters. We've seen the destruction of tornadoes and floods that killed and injured so many in communities across Iowa in 2008, and again in 2010.

The images from places like Cedar Rapids, New Hartford, Palo, Coralville, Waterloo, Parkersburg, Cedar Falls and Oakville, told the story of the damage and devastation better than any words ever could.

But, I have never been more proud of Iowans. We showed the best of Iowa in the worst of times. Despite tough times, we've come together, to build the foundation for a better, stronger, and more resilient state — one that is now well on its way to a full and complete recovery.

We stood together, shoulder to shoulder, united as one, committed to rebuilding our state from our worst natural disaster ever. And, together we've helped ease the pain for those who lost so much.

To date, we've secured more than \$5 billion in state and federal funds for recovery, rebuilding and flood mitigation efforts. This includes \$1 billion for Linn County alone. I would like to thank Retired Lt. General Ron Dardis and the entire Rebuild Iowa Office for their tireless work on flood recovery.

As a result of our efforts, we're rebuilding Iowa in a stronger, safer and more sustainable way. Together with the help of legislators from flood-impacted communities, we created the Iowa Jobs and Infrastructure Initiative, or I-JOBS. This has allowed us to provide funds totaling \$330 million for nearly 100 separate flood recovery projects in 37 flood-affected counties.

These include: new fire stations in Elkader and Charles City; a new public library and Czech and Slovak Museum in Cedar Rapids; replacing 10 buildings at the University of Iowa including Hancher Auditorium; and a new flood wall that will now protect 200 small business owners along the Coralville strip.

So, we've accomplished a great deal together and moved our state forward these last four years, despite governing through some very challenging times.

I am very proud of our record and I am deeply grateful to have had the opportunity to serve as the 40th Governor of Iowa. I would like to thank the people of Iowa for giving me this enormous privilege.

Looking back, one of the things I'm most proud of is that we kept the promises we made to Iowans. We did what we said we were going to do.

We raised the minimum wage. Increased teacher pay. Made our public places smoke-free. Invested \$100 million to improve water quality. Lifted the ban on stem cell research. Protected civil rights: at home, in the workplace and for students in schools. We balanced the budget four years in a row, and earned a triple-A bond rating, the highest possible, which only a handful of states can claim.

In addition, we tackled racial disparity in sentencing and youth detention. Appointed a record number of women and minorities to boards and commissions. Passed the first in the nation minority impact law. And stood tall to protect the constitutional rights of all Iowans regardless of race, gender or sexual orientation.

Finally, we reduced state spending. Reformed and reorganized government. Streamlined and consolidated operations. Offered early retirement to 2,200 state employees. Reduced employee health care costs by \$20 million. Implemented strategic purchasing. Reduced our state vehicle fleet. And eliminated redundant email and information technology services.

All of these important reform measures have helped us create a record \$950 million surplus, will save us more than \$300 million annually, and put us closer to the smaller, smarter and more efficient government taxpayers deserve.

The reason our record of accomplishment was possible and the condition of our state is strong is because I had the privilege of working each day with extraordinary Iowans, and the list of people I want to thank is long.

First and foremost, I want to thank my wife, Mari, and my entire family, including my parents, siblings and relatives, for their constant and unwavering love and support.

I am very proud of the fact Mari has been one of the state's leading advocates for atrisk women and children. In fact, she was recently recognized as the 2010 "advocate of the year" by Children and Family Services of Iowa.

So, Mari has been a great First Lady, and an incredible mother to our two children, of whom we are both so proud. Please join me in thanking the first lady for her service, and welcoming our children, John and Clare, to the chamber.

I also want to extend a huge thank-you to Iowa's Lt. Governor, Patty Judge. Patty has been the best partner a Governor could have. She's served as an important adviser on matters big and small. And she's been an excellent oversight executive for the state's homeland security and emergency management agencies.

The State of Iowa is a better place because of Patty Judge's more than 20 years of public service, as a State Senator from Albia, the first woman elected Secretary of Agriculture and Lt. Governor. Please join me in thanking Lt. Governor Judge.

Additionally, I want to thank my chief of staff, Jim Larew, Deputy Chief of Staff Joni Klaassen, and the directors of our state's 38 departments and agencies. These individuals showed dedication to our cause and worked hard every day to move this state forward.

I want to say thank-you to each of you for your outstanding public service. Your expertise, advice and input have been invaluable.

I also have been blessed with the opportunity to work every day with a great team of individuals in the Governor's and Lt. Governor's office, along with thousands of exceptionally talented state employees across Iowa.

They include state troopers who put their lives on the line every day to protect us; snowplow drivers who clear our highways after dangerous winter storms; corrections officers who protect our communities from our most dangerous criminals; nurses at the University of Iowa hospitals who take care of our loved ones; the cafeteria staff who will serve many of us lunch today, and the custodians, who come in every night to keep this Capitol building one of the most beautiful in the nation.

So, to every member of our state government team, I want to thank you for your professionalism. You make certain state government provides the kind of service Iowans expect.

Finally, to all members of the General Assembly and leadership on both sides of the aisle, I'd like to say thanks to each of you for being important partners in our efforts to make Iowa an even better place.

So, the condition of our state is strong; we've made the tough decisions; and we've kept our promises to the people of Iowa.

However, despite our progress, our work as a state is never done. For example, this week, the Department of Management is releasing our required biannual report detailing progress on our government reform and reorganization initiative. This report identifies more steps that can be taken, such as improved debt collection, further information technology consolidation and targeted strategic purchasing opportunities.

These steps will help save an additional \$84 million this fiscal year. I encourage you to continue these efforts and implement the report's recommendations.

We've also provided the legislature and the new administration with a detailed summary addressing the historic egg recall last summer. This includes five proposed changes in Iowa law that will help improve food safety and employee training standards in the wake of the salmonella outbreak last summer.

These are only two examples of ways in which your legislative action will be necessary. But I have no doubt you will meet these challenges and many others you will face this session head-on.

My fellow Iowans, we've been through a great deal together these past four years. From the worst natural disaster in our state's history, to the biggest economic downturn since the Great Depression, to the H1N1 flu pandemic and the largest troop deployment since World War Two.

I think it's fair to say there's never been a dull moment. I understand very well that these difficult times have taken their toll on the people of Iowa. But, time and time again, together we have successfully overcome these challenges, and I believe we are a better state and a better people for it.

Our resilience is tied directly to our inherent optimism — a belief that things will get better and that our best days are ahead of us. We are also a people of strong faith and character who believe in our Iowa values of hard work, determination, and common sense.

We now stand at a critically important time for Iowa. Our state's direction and destination are up to each of you.

So, I want to encourage you in the clearest possible terms to build on our strengths, especially in the areas of renewable energy, investing in our children, creating the jobs of the future and completing disaster recovery efforts.

The vision of Iowa we should all stand for and share is not a partisan vision, not a political vision nor a self-serving vision. It's an Iowa vision, one that will move the people of this state forward, one that will always put the people of Iowa first, embrace our dreams, unlock our potential, and improve our quality of life.

May God bless you, and may God bless the people of the great State of Iowa. Thank

Governor Chester J. Culver was escorted from the House chamber by the committee previously appointed.

Representative Helland moved that the joint convention be dissolved, which motion prevailed by a voice vote.

ADJOURNMENT

On motion of Senator Gronstal, the Senate adjourned at 10:47 a.m. until 9:00 a.m., Wednesday, January 12, 2011.

APPENDIX

COMMUNICATIONS RECEIVED

The following communications were received in the office of the Secretary of the Senate and placed on file in the Legislative Services Agency:

BOARD OF REGENTS

Patents and Licenses Report, pursuant to Iowa Code section 262B.3(3). Report received on January 6, 2011.

Grow Iowa Values Fund Report, pursuant to Iowa Code section 15G.111(5)(c). Report received on January $6,\,2011$

Economic Development and Technology Transfer Report, pursuant to 2010 Iowa Acts, chapter 1188, section 13. Report received on January 6, 2011.

Report on a Study of the Opportunities for Recruiting Racial and Ethnic Minority Teachers, pursuant to 2010 Iowa Acts, <u>HF 2432</u>. Report received on January 10, 2011.

DEPARTMENT OF ADMINISTRATIVE SERVICES

FY 2010 Annual Report for the Technology Governance Board, pursuant to Iowa Code section 8A.204(3). Report received on January 10, 2011.

DEPARTMENT OF EDUCATION

Report on Charter and Innovation Schools in Iowa, pursuant to Iowa Code section 256F.10. Report received on January 7, 2011.

2011 Early ACCESS Report, pursuant to Administrative Rule 281–120.7. Report received on January 10, 2011.

School Disaster Waivers Report, pursuant to Iowa Code section 256.9(59). Report received on January $11,\,2011$.

DEPARTMENT OF INSPECTIONS AND APPEALS

Report on Expansion of the Divestiture Program Staffing, pursuant to 2010 Iowa Acts, <u>SF 2367</u>. Report received on January 10, 2011.

DEPARTMENT OF PUBLIC DEFENSE

2010 E911 Status Report, pursuant to Iowa Code section 34A.7A(3)(a). Report received on January 11, 2011.

DEPARTMENT OF PUBLIC SAFETY

2010 Statewide Interoperable Communications System Board Annual Report, pursuant to 2007 Iowa Acts, <u>HF 353</u>. Report received on January 9, 2011.

DEPARTMENT OF TRANSPORTATION

FY 2010 Recycled Content Plastic Bag and Soy-based Inks Report, pursuant to Iowa Code section 307.21. Report received on January 7, 2011.

FY 2010 Annual Report of Iowa Highway Research Board Research and Development Activities, pursuant to Iowa Code sections 310.36 and 312.3A. Report received on January $10,\,2011.$

CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Louis and Marge Paustian, Toledo—In celebration of their $65^{\rm th}$ wedding anniversary. Senator Kapucian (1/11/11).

Jack Garwood, Vinton—In celebration of his $90^{\rm th}$ birthday. Senator Kapucian (1/11/11).

REPORTS OF COMMITTEE MEETINGS

COMMERCE

Convened: Tuesday, January 11, 2011, 3:05 p.m.

Members Present: Rielly, Vice Chair; Behn, Ranking Member; Anderson, Beall, Bolkcom, Courtney, Feenstra, Schoenjahn, Seng, Ward, Wilhelm, and Zaun.

Members Absent: Dandekar, Chair; Kettering and McCoy (all excused).

Committee Business: Organizational meeting.

Adjourned: 3:10 p.m.

NATURAL RESOURCES AND ENVIRONMENT

Convened: Tuesday, January 11, 2011, 1:00 p.m.

Members Present: Dearden, Chair; Hahn, Ranking Member; Behn, Bolkcom, Hamerlinck, Hancock, Hogg, Kapucian, Ragan, Schoenjahn, Seng, and Sorenson.

Members Absent: Black, Vice Chair (excused).

Committee Business: Introduction of members. Passed committee rules. Suggestions for future meetings.

Adjourned: 1:30 p.m.

TRANSPORTATION

Convened: Tuesday, January 11, 2011, 2:05 p.m.

Members Present: Rielly, Chair; Bowman, Vice Chair; Kapucian, Ranking Member; Beall, Danielson, Ernst, Hahn, Hancock, Houser, and Zaun.

Members Absent: Dandekar, Dearden, and McCoy (all excused).

Committee Business: Organizational meeting.

Adjourned: 2:20 p.m.

INTRODUCTION OF BILLS

<u>Senate File 11</u>, by Bolkcom, a bill for an act delegating to counties the permitting and enforcement powers of the department of natural resources in relation to certain sewage disposal systems and authorizing penalties.

Read first time under Rule 28 and referred to committee on Natural Resources and Environment.

<u>Senate File 12</u>, by Bolkcom, a bill for an act relating to open burning of residential waste in certain areas of the state and providing penalties.

Read first time under Rule 28 and referred to committee on Natural Resources and Environment.

<u>Senate File 13</u>, by Bolkcom, a bill for an act requiring certain health benefit contracts, policies, or plans to provide coverage of tobacco use cessation programs and including applicability provisions.

Read first time under Rule 28 and referred to committee on **Commerce**.

<u>Senate File 14</u>, by Sodders, a bill for an act requiring cable barriers on primary highways adjacent to borrow pits.

Read first time under Rule 28 and referred to committee on **Transportation**.

Senate File 15, by Sodders, a bill for an act requiring that the director of the Iowa law enforcement academy be appointed by the governor for a four-year term from nominees selected by the law enforcement academy council and including applicability provisions.

Read first time under Rule 28 and referred to committee on **Judiciary**.

<u>Senate File 16</u>, by Sodders, a bill for an act providing a property assessment adjustment for certain persons who have attained the age

of seventy, providing a penalty, and including retroactive and other applicability provisions.

Read first time under Rule 28 and referred to committee on **Ways** and **Means**.

<u>Senate File 17</u>, by Sodders, a bill for an act relating to the county enforcement surcharge and increasing a fee.

Read first time under Rule 28 and referred to committee on **Judiciary**.

STUDY BILLS RECEIVED

SSB 1001 Ethics

Relating to the Senate Rules Governing Lobbyists and their interactions with the Senate and members of the Senate during the Eighty-fourth General Assembly.

SSB 1002 Ethics

Relating to the Senate Code of Ethics governing the conduct of members of the Senate in relation to their senatorial duties during the Eighty-fourth General Assembly.

SSB 1003 Economic Growth/Rebuild Iowa

Providing for the establishment of an Iowa innovation council foundation and making appropriations.

SUBCOMMITTEE ASSIGNMENTS

Senate File 7

NATURAL RESOURCES AND ENVIRONMENT: Dearden, Chair; Black and Hamerlinck

Senate File 11

NATURAL RESOURCES AND ENVIRONMENT: Bolkcom, Chair; Behn and Hogg

Senate File 12

NATURAL RESOURCES AND ENVIRONMENT: Black, Chair; Bolkcom and Sorenson