

**Feb 7, 2007**

### **Thorny Corny Problem - Developing Corn Shortage**

An Iowa State University Crop Economist reported to the Agriculture Committee that we are facing future shortfalls in corn supplies due to the exploding ethanol fuel production. Existing carry-over supply will cushion the shortfall during most of 2007. However, unless next year's crop is significantly larger than this year's crop, prices will escalate to levels needed to ration the use of corn. It is likely that land in CRP will be pulled out for increased production. Iowa's current situation is that ethanol plants already consume 970 million bushels - nearly one-half of Iowa's corn crop. The cumulative total of Iowa's current ethanol production plus ongoing expansion plus new plants under development would be 2.761 billion bushels - 137% of Iowa's 2006 corn crop!

An unsettling scenario relayed by the economist is that 80 new ethanol jobs could eliminate direct employment of over 1000 workers in pork production operations and nearly 300 jobs in beef production. This trade-off has not been widely considered in the push to ramp up bio-fuel production beyond the ability of American and/or Iowa farmers to supply both livestock and other grain processing needs.

### **Forced Union Membership – Fair Share or Raw Deal**

Iowa law, since 1947, has guaranteed that no person can be compelled to join or to pay dues to a labor union. This is called a "Right to Work" law. This long held right of Iowa workers is reflected in our state motto found on our state flag "Our Liberties We Prize and Our Rights We Will Maintain." This employee right is under assault in a political masquerade known as "fair share." If pending legislation passes all public employers (city, county or state) must automatically deduct from the wages of non-union members a so-called "fair share fee." This "fair share fee" is actually union dues. The real story behind this legislation is political payback to big labor unions who financially contributed to Democrat Party candidates who now are the majority party in Iowa.

If the proposed legislation to force employees to pay union dues passes, the US Department of Labor will remove Iowa's designation as a "Right to Work" state and we will be a competitive disadvantage with other states in recruiting new business to Iowa. The door manufacturer for retail giant Menards just announced it will hold off on the development an additional 300 employee Iowa plant until this issue is resolved. This legislation idea has real consequences.

### **Budget Blessings and Education – The Shoe is on the Other Foot**

On Wednesday, February 1, we received the latest revenue numbers. Gross general fund revenue continues to exceed projections. Total Iowa general fund revenue increased by 6.2 percent above January last year. We are wondering if the economy is strong enough to seriously consider increasing the money appropriated to our public schools which actually goes into the classroom. – allowable growth. My friends in the Democrat party have been asking for 6% allowable growth for years while we Republicans were in leadership. Last fall, the Ds sailed into the majority flying the banner of 6% allowable growth. Yet they have proposed only 4% in their education budget. Apparently they are now feeling the full burden of balancing the budget. The fall campaign promises have

crashed on the rocky shoals of budget realities. Of course, just to show how noble the Republicans are, some in my party have sponsored (guess what?) a bill to raise allowable growth to 6%. I guess what goes around comes around. Only in American politics!

**Protecting our Citizens – Loan Sharks and Bullies**

Recently the Iowa House of Representatives passed a bill designed to reduce the use of car title loans. These loan arrangements are used by low income folks who borrow relatively small amounts of money, say \$500 to \$1000, secured by their car title. The interest rates run about 300% (or more) and if the poor folks don't pay, the lender repossesses the car. The borrower spirals down suffering even greater financial problems. I voted for the bill, but liked an amendment that would have regulated these lenders under the supervision of the state department of banking.

We also just passed an anti-bullying bill designed to reduce the power of the age-old schoolyard bully. The moral high ground was everywhere. Many school superintendents did not think the bill was needed and they will be further burdened by additional reporting responsibilities. This bill has good intentions but is, in the mind of this lawyer-legislator, poorly drafted legislation that poses enforcement challenges. It will likely need revisiting much like our recent sexual offender legislation.

**Rep. Richard Anderson**  
**House District 97**