

# IOWA CHAMBER ALLIANCE

*A Unified Voice for Economic Growth*

**FOR IMMEDIATE RELEASE**

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## **Iowa Chamber Alliance Commends Legislature's Action on Community Revitalization but Challenges Legislature to Further Economic Growth Efforts in 2008**

May 4, 2007 (Des Moines, IA) – The Iowa Chamber Alliance, a coalition representing 16 chambers of commerce and economic development organizations throughout the state, expressed “cautious optimism” at the close of the 2007 legislative session. The Alliance was pleased by the Legislature’s positive investments in growing Iowa’s economy, including funding for community revitalization and renewable energy. At the same time, the coalition is concerned that other key legislation, especially commercial property tax reform, was tabled for further study.

### **2007 Legislative Session High Points**

“We commend actions taken by the Legislature to revitalize Iowa communities by raising the cap on Historic Tax Credits. This funding will provide a catalyst to revitalize neighborhoods and redevelop and preserve historic districts across Iowa. Revitalization not only creates jobs but also helps attract and retain Iowans,” said Bob Mundt, Iowa Chamber Alliance Chair and President and CEO of the Council Bluffs Chamber of Commerce.

“We are also pleased with the Legislature's action to increase funding of Vision Iowa, a program established in 2000 to support development of destination attractions in the state. However, the cap on the program’s funding is limiting its impact. Adequate funding for visionary community projects is important for growing local economies as well as attracting visitors and young people to Iowa,” said Mundt.

### **Steps in the Right Direction**

In addition to positive strides in community revitalization, the Alliance was pleased that the Legislature passed bills supporting infrastructure and business development in Iowa. The 2007 session’s outcomes included a four-year, \$100 million Power Fund for alternative energy development, tax incentives to encourage movie filming in Iowa, continued lean processing in government and funding for Iowa’s Brownfield Redevelopment Program. All of these were priorities in the Alliance’s 2007 agenda.

On other issues, the Alliance felt the Legislature took some steps in the right direction but could have gone further. “The Legislature’s progress toward expanding opportunities for high-quality preschool attendance and its commitment to workforce quality are both positive steps. However, we’re disappointed that weak core content standards for measuring academic achievement have remained untouched,” said Mundt.

The Alliance was also pleased with approval of a new funding formula for the “Time 21” Road Use Tax to support commercial and industrial priorities. However, it believes the Legislature needs to change the current formula in a similar manner.

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## **2007 Legislative Session Disappointment**

“The Legislature’s actions represent important strides toward growing Iowa’s economy but fell short in a key area,” said Mundt. “Once again, the Legislature failed to provide significant property tax relief for Iowa business owners. Every year that property tax is not reformed, Iowa’s economic climate becomes less competitive. It’s time to be decisive.”

## **Anticipating the 2008 Session**

“Looking forward, we’re cautiously optimistic,” said Mundt. “Overall, several key bills for economic growth were passed, and initiatives the Alliance believes are counterproductive to economic growth were not passed. However, less favorable legislation that has the potential to stifle the economy may resurface next year.”

“We encourage lawmakers to focus on legislation that has a positive impact on economic growth in Iowa. At the same time, the Legislature must continue to resist efforts that would jeopardize Iowa’s right to work status, as well as resist other changes that increase the cost of doing business in Iowa. The Iowa Chamber Alliance will continue to provide a unified voice to educate the public and legislators on issues most important for growing the state’s economy,” said Mundt.

## **Review of the Iowa Chamber Alliance’s 2007 Agenda**

The Alliance’s 2007 agenda called, “Promoting Strategic Policies to Stimulate Economic Growth,” was announced last November to bring attention to and inform citizens and lawmakers of the major issues that affect the future of the state, as well as to make specific legislative recommendations. Its four statewide issues to support economic growth included:

- **Community revitalization across Iowa** – by financing incentives for economic growth including Historic Tax Credits, Brownfield Redevelopment and a Destination Attraction Fund
- **Investments in infrastructure** – by creating a more equitable funding formula to provide adequate highways and by supporting new technologies to establish Iowa as an alternative energy leader
- **Improvements in Iowa’s business climate** – through an improved commercial and industrial property tax system, as well as other business development incentives
- **Attraction, retention and development of a skilled workforce** – through long-term, multi-faceted policies at the local and regional levels

## **About the Iowa Chamber Alliance**

The Iowa Chamber Alliance’s mission is to put forth and enact an agenda to grow the state’s economy through support of proactive programs that stimulate economic growth opportunities for the entire state and its residents. The Alliance members include chambers and economic development organizations in: Ames, Bettendorf, Burlington/West Burlington, Cedar Falls, Cedar Rapids, Council Bluffs, Davenport, Des Moines, Dubuque, Fort Dodge, Iowa City, Marshalltown, Mason City, Muscatine, Sioux City and Waterloo.

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