

Governor Reviewing National Guard Security

In the wake of the recent shooting at a military recruiting office in Chattanooga, Tennessee that left 5 military men dead, other legislators and I thought that our military servicemen and women should not be defenseless targets for a terrorist to attack but rather should be able to defend themselves, especially since they have the training to do so. Therefore we have asked Governor Branstad to review the security for our National Guard and see to it that measures are in place to adequately protect our National Guard service members.

Governor Branstad has asked General Tim Orr of the Iowa National Guard to take a look at security at Iowa's military facilities and recruitment offices. He also requested this week that the federal government do a general review of all military facilities and corresponding protective measures while he was at a meeting in Washington. The meeting included a group of governors who meet regularly on security issues.

Iowa Unemployment Rate Down to 3.7%

Iowa Workforce Development released their latest unemployment report which showed new data about Iowa's labor force and employment. Iowa's unemployment rate dropped to 3.7% in June from the 3.8% rate in May. Iowa's current unemployment rate is at its lowest point since February 2008.

Iowa currently has the 5th lowest unemployment rate in the country. Iowa's unemployment rate continues to remain significantly lower than the national rate, which decreased to 5.3% in June.

Supreme Court Decision Keeps ObamaCare in Place

The Supreme Court issued a 6-3 ruling in June in the case *King vs. Burwell* upholding the Affordable Care Act's tax credits offered within federal insurance exchanges and federal/state partnership exchanges like Iowa's. This retains the status quo for 38 states--including Iowa. The ACA clearly authorized tax credits for consumers in state-based exchanges to help offset the cost of purchasing health insurance. The Court made it clear that the ACA's tax credits also apply to exchanges established by the federal government and those like Iowa's which operates under a federal/state partnership.

Many Americans will find they need the tax credits to afford their Affordable Care Act insurance plans, as companies across the country are planning to increase rates between 20 and 40 percent. Coventry Health Care is the only carrier participating so far on Iowa's insurance exchange, and that company recently submitted a proposed increase of 17 percent for its ACA plans. A set of public hearings on the increase is scheduled for July 25 at seven Iowa locations.

It's unclear if the proposed increases will win approval from state insurance commissioners, but the actuarial pressure fueled by a relatively more expensive set of customers to insure is driving prices higher. With insurance premiums rising, the Affordable Care Act premium subsidies will become more expensive for taxpayers. A study from the Kaiser Family Foundation found consumers could lessen the impact of premium increases if they switched plans, but a switch can often cause patients to lose their doctor and face a limited network of providers that will accept their insurance.

The insurance co-ops spawned with billions in federal grants are providing little meaningful alternative for consumers. Two years ago, the 23 co-ops established under the law announced low premiums, and ACA proponents cheered. Most of those co-ops are now asking for double-digit premium hikes, and that's probably because most of them are in troubling financial waters. Most still owe significant federal loans. Standard & Poor's, a credit rating agency, reported that 18 had negative cash flow at the end of 2014. Nine, including Iowa's now-defunct CoOpportunity Health, had medical-loss

ratios exceeding their cash flow. With financials like that, the rate increases insurers are asking for--and taxpayers are required to pay--should come as no surprise.

Water Quality and Soil Conservation

Iowa Secretary of Agriculture Bill Northey thanked Governor Branstad and the Iowa Legislature for their continued commitment to partnering with farmers to make significant long-term progress in protecting Iowa's soil and water resources. The budget for the new fiscal year will provide a total of \$32 million. Here is the breakdown: \$18.8 million to support the Iowa Water Quality Initiative, \$4.4 million for the Nutrient Reduction Strategy, \$6.75 million for soil conservation cost share, and \$1.92 million for the closure of 8 agriculture drainage wells (mainly in southern Iowa and north central Iowa) to protect groundwater quality.

These funds will allow the Iowa Dept. of Agriculture and Land Stewardship (IDALS) to continue to offer cost share statewide to farmers trying new water quality practices, to continue work in targeted watersheds to achieve measurable water quality improvements, to expand urban conservation efforts, and to develop new programs to help engage all Iowans in improving water quality.

For over four decades, Iowa's soil conservation cost share program has encouraged the adoption of conservation structures and practices to protect and preserve our state's natural resources and improve water quality.

In addition to the funds approved for the Department for water quality, \$1.35 million was provided to the Nutrient Research Center at Iowa State University to evaluate the performance of current and emerging nutrient management practices and help develop new practices. Iowa State also received a \$1.23 million appropriation for a three-year pilot project to quantify infield activities focused on improving water quality. The Department will also pass-through \$450,000 to the Center for nutrient water monitoring network technology and equipment.

Feel free to contact me with ideas, thoughts, and concerns. My phone is 319-987-3021 or you can email me at sandy.salmon@legis.iowa.gov . I want to hear what you are thinking and will listen to your input. Together we will work to make a difference for the future of Iowa. Thank you very much for the honor of representing you!

Sincerely,

Sandy