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Highway construction a concern

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The possibility of increases in various taxes spent a good deal of time being discussed at Saturday's Legislative Coffee.

First, there's the gasoline tax - some call it a user fee - in which every nickel goes toward road projects. While people might oppose higher taxes, it was clear they also want timely completion on highway construction.

That was apparent when the audience stood up at the request of State Sen. Mike Gronstal, who then asked them to sit down if they didn't mind waiting until 2036 for the Council Bluffs interstate system rebuilt at current funding levels. Nobody sat down.

"I think we need additional resources," Gronstal said.

What's more, Iowa's average gasoline tax is 8 cents below the national average, while having the 10th largest road system in the country, he said.

"It continues to be part of the discussion in the Legislature," he said of a possible tax increase. "I would support an increase in the user fee."

House Rep. Greg Forristall of District 98 would like some direction and leadership on this issue from Gov. Chet Culver.

"He's vague," Forristall said. "It's in his hands."

"He (Culver) has to take the lead," added Rep. Doug Struyk of District 99. "He needs to be clear about it."

On the issue of property taxes, concern was raised on how much money the state will provide school districts for the upcoming fiscal year. Last year's Legislature approved a 4 percent increase for school funding, called allowable growth, for the upcoming 2010 fiscal year that begins July 1. The Legislature always approves a year in advance the increased percentage amount local school districts can fund their programs. This session, the lawmakers are determining how much the state will help out in that 4 percent growth. Culver has requested the state pay only half of the increase and that bothered some lawmakers.

"If state government won't fund that 4 percent, then we should cut allowable growth back," Forristall said.

"Hopefully, we'll pay for the full 4 percent," Struyk said. "If the state doesn't fully fund the 4 percent, there will be a significant property tax increase for the Council Bluffs School District."

Without additional help from the state, Forristall said school districts might have to cut programs, take more money out of their reserve funds or seek more property taxes.

Gronstal said it too early to say whether the Legislature goes along with Culver's request or approve a higher state portion. Besides, school districts don't have to spend higher amounts if they so choose, he added.