

# Des Moines Register

## **Rekha Basu: An Iowa with More Tax Cuts, Pollution, And Starved Schools? Or Do Learning, Mental Health and Child Care Come First?**

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If you watched this week's debate between the two women running for Iowa governor, you saw a clear difference in priorities rising above any factual disagreements or aspersions on the other's qualifications.

Incumbent Kim Reynolds repeatedly put tax cuts at the top of her agenda, filtering just about every issue through that lens. It might be her loyalty to agribusiness, with no mention of the ongoing laxity of state regulations or oversight to prevent soil and water pollution. It might be her boast of getting recognized by the libertarian Cato Institute for Iowa's going from sixth-most- to fourth-least-taxed state in the nation. Reynolds spelled out to which sector her commitment lies, but this time, it wasn't just to Iowa's wealthy and big businesses she seemed to be speaking. It was as much to people outside Iowa.

She appeared to be trying to get the attention of the right wing of the national Republican Party, maybe to engineer a future vice presidency.

The first indication came in her introductory remarks, when she boasted of having been chosen to give the GOP response to President Joe Biden's State of the Union speech. She said nothing, however, about the ongoing de facto head of the Republican Party, Donald J. Trump: no repudiation of the deadly Jan. 6 invasion of the Capitol. No debunking of his claim of the 2020 election having been stolen from him.

It was challenger Deidre DeJear who had to keep bringing the conversation back to the welfare of ordinary Iowans: working parents who need better child care and access to the quality education Iowa once provided; child care workers who earn, on average, a paltry \$26,000 a year. Parents desperate for mental health care for their children in a state that ranks 45th in accessibility for that, with fewer than 30 child psychiatrists in the state. Low-income people in need of affordable housing.

"They want to take your money and put it in government programs," Reynolds quipped in rebuttal. "We put money in child care, housing and broadband. " Maybe, but some of that investment came from President Joe Biden's federal American Rescue Plan, whose disbursements Reynolds accepts while criticizing Democrats' "tax and spend" policies.

Reynolds did put \$26.6 million toward a grant program for businesses that offer employees child care options. She also used some federal CARES Act funding to help nonprofit organizations with child care costs and other state grant money to increase child care availability. But none of those funds are set up to help subsidize the cost of child care for parents for the long run — and further, any day care assistance would be undermined by the quality cuts she and the Republican-controlled Legislature also made, raising the child-to-staff ratios for 2- and 3-year-olds, and letting 16- and 17-year-olds care for children unsupervised.

About the only rebuttal Reynolds could offer DeJear on the idea of universal preschool, which economic research suggests leads to higher test scores and less disciplinary action needed, was that it “means more money from taxpayers.” This at a time when Reynolds wants to subsidize parents with taxpayer funds to move their children from public to private schools, effectively defunding public schools. Reynolds has been heard advocating the private — specifically religious — school option to parents who don’t want their children making accommodations for transgender students.

As for housing, yes, Reynolds did use \$37 million of federal CARES Act money to set up a rent and mortgage assistance program to help keep Iowans in their homes. But she earlier proposed spending more, \$50 million, on tax credits to cut construction costs for developers and reduce their costs on rents and mortgages.

DeJear raised concerns about the sustainability of Iowa agriculture, and keeping pollution out of the waterways. About half of Iowa's waterways assessed over the past five years are considered impaired: 751 rivers, streams, lakes, reservoirs and wetlands don’t meet state requirements. That pollution prevented Iowans from swimming in lakes and rivers during the summer. Twelve agencies, including the Iowa Environmental Council and the Environmental Law & Policy Center, are calling on the Iowa Department of Natural Resources to go further than proposed to protect against manure pollution from confined animal feeding operations. A 2019 University of Iowa study found Iowa leads the country in manure waste. Not a distinction you'd want to boast of for re-election.

But still Reynolds seems to care most about cutting taxes. Under a law she signed, after every year in which the state takes in more than \$700 million in net corporate taxes, the surplus will be used to lower the top business tax rate until all corporations pay a 5.5% tax. Initially, the top corporate tax rate drops from 9.8% to 8.4%.

But ordinary people won't see income tax rates come down right away, except those making \$75,000 or more, for whom the rate will be lowered to 6%. Variations in state revenue won't change that. And, when questioned about Iowa's lack of adequate school funding, Reynolds said, "Don't fall into the trap of measuring quality education by the funding going into it." It makes you wonder why someone so loath to spend government money on real people would want to be in government at all.

Fortunately, DeJear has a broader vision. "I believe in the state; more importantly I believe in the people," she said of Iowa." Of Reynolds' tax cuts, she said, "Since this government has been in the leadership, tax cuts have had no impact on low- to moderate-income people." She said Reynolds' tax cut was "sold as a retention, recruitment" plan, but all it gives moderate income Iowans is a

monthly \$50 to \$55 saving after four years. "Those funds in the surplus should be allocated annually to ensure economic sustainability," she concluded.

Iowans have a good alternative this year. Though DeJear's campaign is underfunded and ignored by big money, just like Iowa's schools, childcare and mental health system, she's fighting mightily to put the right issues on the table. She has the right priorities for what Iowans need to grow and thrive sustainably, just like agriculture needs. And that's not more tax cuts or lip service.

"Iowans are not short of vision," DeJear said in her concluding remarks. "They need leadership that's willing to turn the lights on."

She can, and she will, do that.