

# The Gazette

## Iowa Gov. Kim Reynolds sees a chicken for every pot — but still no pot

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Gov. Kim Reynolds hopes her 2022 legislative agenda — including cuts to taxes, regulations and licensing requirements — will attract workers from other states to come to Iowa.

“They’ll come because here they can find freedom and opportunity. Because of our small towns and thriving cities. They’ll come because we reward work, value personal responsibility and care for our neighbors,” Reynolds said, according to **prepared remarks** released by her office.

I am all for cutting taxes and regulations but who are “they” Reynolds is talking about? And what would make them want to come to Iowa? Other states suffering their own workforce problems are competing for the same prospective newcomers.

***Reynolds made reference in her annual address to a prized commodity these days among Republican governors — California transplants.***

In her **Condition of the State address** this past week, Reynolds acknowledged a couple of the key factors precipitating the worker shortage — Iowa has one of the highest workforce participation rates in the country and still <sup>[[1]]</sup><sub>[[SEP]]</sub> has more job openings than unemployed Iowans.

There are more than 80,000 open non-military positions on the job posting website Indeed as of this past week, including more than 25,000 posted within the past 14 days. Meanwhile Iowa has just 61,600 people on unemployment and a **workforce participation rate of 67 percent**, one of the 10 highest in the country.

To put it another way, you can’t squeeze very many new workers out of Iowa’s existing population. We need more Iowans.

There is not much good news on that front. Iowa’s population **grew by 4.7 percent** over the past decade according to 2021 census figures, compared with <sup>[[1]]</sup><sub>[[SEP]]</sub> 7.4 percent for the nation. Iowa is middle of the pack nationally for fertility rate and youngest median age — No. 21 and No. 22.

Regional recruitment is difficult because nearby states are in a similar position to Iowa. Three of our neighbors — Minnesota, Nebraska and South Dakota — have **even higher workforce participation rates**. So Iowa leaders are looking beyond the Midwest.

Reynolds made reference in her annual address to a prized commodity these days among Republican governors — California transplants. The governor opened her speech with a story about a family who moved from California to Iowa to start a business.

The narrative is that people are fleeing high taxes and burdensome COVID-19 regulations in blue states in pursuit of freedom in red states. There is some <sup>[17]</sup><sub>SEP</sub>truth to that, but it has been overstated. While there are a lot of California expats in raw numbers because it's a big state, even California grew faster than Iowa over the past decade — just over 6 percent in the latest census.

And just how free is Iowa anyway? Not very. The state ranked an underwhelming 29th in the libertarian Cato Institute's **"Freedom in the 50 States" report** last year, down from a high of 9th in 2007.

The state's tax burden and government share of gross domestic product have actually increased since 2011 under the <sup>[17]</sup><sub>SEP</sub>Reynolds-Branstad administrations, according to the Cato Institute's analysis. Occupational licensing is about average, despite some good reforms made in recent years. Iowa still runs liquor through a bureaucratic cartel and marijuana remains highly illegal, one of a dwindling number of states still threatening jail time for minor possession.

Never mind the facts on the ground, maybe some shrewd marketing will do the trick. The state last year dedicated more than \$3 million in American Rescue Plan Act funds to its **"This Is Iowa"** ad campaign, intended to draw visitors and new residents from other states.

"This is Iowa, we just haven't been properly introduced," the narrator says.

Iowa: Come for a job interview, stay because you have a court date for your marijuana arrest.