



GUEST OPINION

April 19, 2014
www.iowapolicyproject.org

As published in The Press-Citizen, Iowa City, April 19, 2014

Want a better budget? Make different choices

By Mike Owen

I am in sympathy with Pamela Wesely's concern about budget cuts in Iowa City schools, causing cuts to foreign-language programs. (["Cuts prevent students from becoming global leaders,"](#) April 16 *Press-Citizen*)

What I hope we all recognize is that if it's not foreign language, it will be something else, because we do not demand a better approach to budget choices. This is not an Iowa City-only issue.

The one point where I'd take issue with Wesely is her comment charitably recognizing "difficult funding decisions" across levels of government. These difficulties are mostly self-inflicted — by all Iowans because we accept that the state's budget pie is fixed.

I see this as a school-board member in West Branch. I see it as director of the Iowa Policy Project, where we have illustrated the disconnect for many years between demands for critical services and a false but rarely challenged notion that we can cut our way to prosperity.

We cannot.

We have responsibilities and we must accept them. Many do. Many do not.

We give up \$60 million to \$100 million in revenues we should be collecting every year because our Legislature refuses even to debate the closing of corporate tax loopholes with the kind of law that is used in 21 states, including Illinois, Minnesota, Wisconsin and Nebraska on our borders.

We give up over \$50 million a year (\$53 million in 2013) in entitlements to companies that do research, mostly very large and profitable companies that do not need state help and must do research to be so profitable. And, most of that goes to companies that pay not a single dime in income tax. No tax, plus millions in checks, for something they would do anyway.

We give up almost \$90 million because of a ridiculous \$54 (maximum) per taxpayer tax credit passed by the Legislature last year. It won't help the economy and it throws another dam into the revenue stream. Are our children better off because some of us have another \$54 to spend this year — about \$1 a week — instead of investing in their education? It's a budget choice.

For context, the Legislature in this budget year has shortchanged Iowa's local schools more than \$60 million from its own funding obligation, even with revenues coming in strong — and for two months has refused to set its state aid amount for fiscal year 2016, as required by law.

It is worth noting that the very same companies taking advantage of Iowa's lax laws and generosity are the ones that will demand more skills, sharper minds, and critical thinking to make their businesses more competitive in a global economy.

It's past time for corporate and political lip service. Rather, it is high time for these companies to step up, and time for us as individuals to recognize we can't have something for nothing — unless less or nothing is truly what we want in return.

Until then, what will be the next foreign language or cultural asset we want to give up? Which math class? Chemistry, anyone?

*Mike Owen is executive director of the nonpartisan Iowa Policy Project in Iowa City.
Contact: mikeowen@iowapolicyproject.org.*