

# Iowa Leads the Nation (Not Fake News)

Merry Christmas and Happy New Year to each one of you! I hope you are able to spend some time with family and friends during this holiday season!

As 2017 comes to an end it is a good time to reflect on much that we have for which we are thankful. A number of reports from objective sources, all released recently, have shown Iowa to be first or near the top of the nation in some very important areas. These studies make it clear that Iowa remains a great place to live, work, and raise a family.

## Responsible Government

Iowa was recently named the **3<sup>rd</sup> best run state** in the country. This is up 3 spots from no. 6 in 2016. The study was conducted by 24/7 Wall Street, an online financial news organization, and looked at various aspects of state government including our unemployment rate, poverty rate, credit rating, and pension funded ratio.

Here is what they saw about Iowa:

- 1) 2016 unemployment: 3.7% (10<sup>th</sup> lowest)
- 2) Pension funded ratio: 85% (13<sup>th</sup> highest)
- 3) Credit rating and outlook: AAA/stable
- 4) Poverty: 11.8% (18<sup>th</sup> lowest)

According to the report, “Iowa has one of the healthiest job markets in the country. Just 3.7% of the Iowa workforce were unemployed in 2016, the 10th lowest unemployment rate of any state ... Iowa is also one of the most fiscally responsible states in the country. While across all states, average state government debt amounts to 52.2% of total state tax revenue, Iowa’s debt load amounts to just 26.1% — one of the smallest shares in the country. Additionally, Iowa’s rainy day funds could cover about 10% of the state’s 2018 fiscal year budget, slightly better than the average across all states.”

## **Affordable Communities**

Iowa ranked 1<sup>st</sup> in the nation as the most affordable state for a middle class family to live. This study by GOBankingRates analyzed median household incomes of middle class families, in-state college tuition rates, college graduation rate, home list prices, average monthly mortgages, and homeownership rates, all of which Iowa ranked highly compared to other states. Iowa has always had a lower cost-of-living compared to other states around the country.

The study said of Iowa, “Iowa tops GOBankingRates’ list of the best states for the middle class, ranking high for almost all the metrics analyzed....(Iowa)boasts affordable housing.....(and) a high homeownership rate.”

## **Strong Economy**

Iowa’s current unemployment rate of 3% is nearly a 17 year low, a rate not seen since January of 2001, according to Iowa Workforce Development. This is great news, but we can continue to improve. During the upcoming session, we will again be looking for ways to release the potential in our economy and allow it to grow.

## **Emphasis on Education**

Iowa ranked 1<sup>st</sup> in the nation for its high school graduation rate, at 91.3%, according to the Iowa Department of Education. This is 7.2% above the national average which is 84%. Even though Iowa still has many challenges in education, Iowa continues to set the pace with its strong high school graduation rate.

Iowa placed 4<sup>th</sup> in the nation in K-12 per pupil funding increases since 2008. This is according to a recent study by the Center for Budget and Policy Priorities.

An increase in government spending is not necessarily a good thing, however, I include this because there are complaints about “not enough spending on education” and that we “have not made education a priority”. This should demonstrate that even though increases in past years haven’t been as high as some would like to see, they have been higher than most other states’. Funding K-12 education has in fact, been our highest priority.

This should come as no surprise, as K-12 education funding has increased by \$735 million since 2011, a 30% increase (while other areas have seen decreases). This substantial investment has brought total annual funding for schools to almost \$3.2 billion, which accounts for 42% of Iowa’s entire budget. (This doesn’t include property taxes...)

## **Conclusion**

None of this is to say there is no room to improve, but yes, Iowans truly have much to be grateful for as we close 2017. As we look toward 2018 there are many challenges as well as exciting opportunities ahead. We hope to build on these blessings when the legislature convenes for the 2018 session next month.

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](mailto: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***