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[10-09 Political Briefing \(IA\).doc](#)

i just changed the jobs section to reflect the new data. am i right that there was nothing else new in the document?

IOWA BRIEFING

STATE ISSUES

ECONOMY

Iowa's unemployment rate in August was 4.5 percent, 0.2 percentage point below its recent peak of 4.7 percent in July 2003. As of September 2004, the national unemployment rate is 5.4 percent. Overall, jobs have been returning to Iowa since June 2003; the state has gained 14,500 jobs since then.¹

MILITARY DRAFT

As reported in the October 1 edition of the *Des Moines Register*, Senator Tom Harkin (D, IA) stated that he believes there are "secret plans" among members of your Administration to reinstate the military draft in your second term.

IOWA SCHOOLS

On August 19, the Iowa Department of Education released its annual list of schools and districts in need of assistance. The designation means the school or district did not meet the requirements either of Adequate Yearly Progress (AYP) or Annual Measurable Objectives (AMO) for 2 consecutive years. Sixty-six public schools and 9 school districts were listed (Iowa has 1,491 public schools and 370 districts). The Waterloo School District had 4 schools on the list.

DISASTER ASSISTANCE

The U.S. Department of Agriculture announced on September 23 that 22 Iowa counties had been designated as disaster areas due to crop losses from weather conditions occurring as early as February. Farmers in those areas are eligible for low-interest emergency loans from the Farm Service Agency.

STATE LEGISLATURE AND GOVERNOR VILSACK

In a July *Des Moines Register* poll, Governor Tom Vilsack's (D) job approval was 56 percent, up from February when the Governor's job approval was 49 percent.

Iowans' overall opinion of the Republican-led Legislature has changed little since February. In a July poll, 49 percent approved and 29 percent disapproved of the Legislature's performance. Iowans were also feeling more positive about the direction of the state. Fifty-one percent of Iowans believed the state was headed in the right direction.² In February, only 41 percent of Iowans believed the state was headed in the right direction.

IOWA BRIEFING

During the Republican National Convention in New York, Vilsack led the Democrat response to the Republican Convention. While at a Democratic Governors Association policy conference in Michigan on September 17, Vilsack, with the Democrat Governors from Michigan, Pennsylvania, Kansas, and Maine, claimed your Administration's health care and economic policies have endangered the economies of their respective states. Vilsack is finishing his term as chairman of the Democratic Governors Association.

GROW IOWA VALUES FUND

In 2003, the State Legislature passed the Grow Iowa Values Fund legislation. The \$503 million legislation had numerous components: the Grow Iowa Values Fund (an economic development fund to support biotechnology and other key industries in the state) was created; Iowa's property tax structure was reformed; business regulations were changed; and income taxes were cut. Vilsack used line-item veto power to approve the Values fund and property-tax reforms while rejecting the income-tax cut and business regulations. Republican leaders in the Legislature appealed Vilsack's use of the line-item veto to the Iowa Supreme Court.

In June, the Iowa Supreme Court unanimously struck down the Grow Iowa Values Fund law, ruling that the Governor violated the State Constitution by vetoing only portions of the legislation. Over the summer, Governor Vilsack and Republican leaders in the Legislature negotiated to re-create the program and fulfill a promise of \$56 million in aid to 36 companies that intend to expand or locate in Iowa.

On September 7, lawmakers convened for a special session in which they passed the Values Fund. The package passed the House 97 to 2 and the Senate 45 to 3. Lawmakers agreed upon \$100 million to cover business incentives already promised through the Fund and to keep job creation programs in business through the year's end. They also passed an \$87 billion, two-year tax break to businesses, provided state dollars to fund 56 workforce development offices, and approved controversial changes in state laws governing compensation for workers who are injured on the job. Governor Vilsack signed the economic package into law on the evening of September 7.

MEDICARE

About 460,000 Iowans (17 percent) are eligible for Medicare. The Medicare Prescription Drug, Improvement, and Modernization Act you signed in December 2003 helps remedy the historically low Medicare reimbursement rates for Iowa health care

IOWA BRIEFING

providers, especially those in rural areas. At least 14 hospitals, most often rural facilities, have closed in Iowa since 1985. Because of the state's low reimbursement rate, expanded services have not been made available.

As a result of the Medicare overhaul, over the next 10 years, Iowa hospitals and health care providers will receive an additional \$438 million dollars from Medicare, and Iowa hospitals will receive an additional \$141 million from Medicaid.

The law also gives Medicare recipients the option of purchasing prescription drug coverage, which will reduce the typical beneficiaries' drug costs by about half. Senator Chuck Grassley (R), as Chairman of the Senate Finance Committee, was crucial to the formulation and passage of this landmark legislation. Senator Tom Harkin (D) and Congressman Leonard Boswell (D, IA-03) were the only members of the Iowa Congressional delegation to vote against the legislation.

Health care continues to be a top campaign issue in Iowa, with 14.9 percent of the state's population aged 65 and older (the national figure is 12.4 percent). Throughout September, the Kerry campaign team continued to criticize your health care policies. Senator Kerry, Teresa Heinz Kerry, Elizabeth Edwards, and Senator Tom Harkin attended events around Iowa focused on health care.

DRUG REIMPORTATION

On April 8, Senator Grassley introduced legislation to immediately legalize the importation of prescription drugs from Canada while a new importation system is developed and implemented by the Food and Drug Administration (FDA). The bill is much broader than legislation previously introduced by Senator Byron Dorgan (D, ND); it allows for the importation of non-FDA approved drugs. After 2 years, the bill would allow the importation of prescription drugs from other countries, including Australia, Japan, and the European Union. Drug manufacturers that take any action to limit supply to Canada would lose their tax deduction for advertising expenses. Drug manufacturers who continue to sell drugs to Canada would see a 20 percent increase in their research and development tax credit.

Governor Vilsack supports a proposal to allow state workers to buy Canadian drugs through local pharmacists. However, the proposal would not allow direct customer orders from Canadian suppliers.

IOWA BRIEFING

On August 24, Vilsack announced in an address to the Iowa Citizen Action Network Education Foundation that he is considering joining a lawsuit brought by the state of Vermont against the FDA for its refusal to allow importation of prescription drugs. The Foundation is encouraging state officials to get more involved in lowering the cost of prescription drugs for Iowans.

SAME-SEX MARRIAGE

In February, a State Senate committee narrowly approved a pair of proposals calling for amendments to the U.S. and Iowa Constitutions defining marriage as between a man and a woman. In March, however, the full State Senate disapproved the resolution to amend the State Constitution. Governor Vilsack had opposed amending the State Constitution, arguing that Iowa law already defined marriage as between a man and a woman.

A poll conducted in July found 65 percent of Iowans are against same-sex marriage while 25 percent are in favor. The poll also found 49 percent of Iowans oppose a constitutional ban on same-sex marriage while 43 percent favor it.³

In November 2003, Woodbury District Judge Jeff Neary granted a lesbian couple a legal divorce even though Iowa law does not allow same-sex marriages and does not recognize civil unions. Judge Neary later revised his ruling to say it ended only their civil union in Vermont. Congressman Steve King (R, IA-05), 6 state lawmakers, and an Iowa church appealed Neary's ruling, arguing that he overstepped his authority. The case is now on appeal to the Iowa Supreme Court.

On August 6, an Iowa group calling itself the Judicial Accountability Group filed organizational papers allowing it to raise money for an effort to block Judge Neary's retention this fall. Neary, appointed by Governor Vilsack in October 2002, faces his first retention for a six-year term in Judicial District 3B, which is made up of 6 counties and includes Sioux City.

UNBORN VICTIMS LEGISLATION

In April, the Iowa House voted 63 to 36 to approve a bill providing criminal penalties for the murder of a fetus at any stage of development; similar legislation had been approved in the State Senate by a 30 to 19 vote in March. The bill was sent to Governor Vilsack, who vetoed it in May. The media speculated that his decision to veto the bill was motivated by his desire to be selected as Senator John Kerry's (D, MA) running mate.

IOWA BRIEFING

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IOWA BRIEFING

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STATISTICS

2000 General Election Results (Presidential):

| | Total Votes | % Won |
|---------------|--------------------|--------------|
| Gore | 638,517 | 49% |
| Bush | 634,373 | 48% |
| Nader | 29,374 | 2% |
| Others | 13,299 | 1% |

1996 General Election Results (Presidential):

| | Total Votes | % Won |
|----------------|--------------------|--------------|
| Clinton | 620,258 | 50% |
| Dole | 492,644 | 40% |
| Perot | 105,159 | 9% |
| Others | 16,014 | 1% |

CONGRESSIONAL DELEGATION

U.S. SENATE:

- Chuck Grassley (R), 4th term, re-elected in 1998 with 68%
- Tom Harkin (D), 4th term, re-elected in 2002 with 54%

U.S. HOUSE: 5 Total (4R, 1D)

- Jim Nussle (R-01), 7th term, re-elected with 57%
- Jim Leach (R-02), 14th term, elected with 52%
- Leonard Boswell (D-03), 4th term, re-elected with 53%
- Tom Latham (R-04), 5th term, re-elected with 55%
- Steve King (R-05), 1st term, elected with 62%

STATE GOVERNMENT

Governor Thomas Vilsack (D), 2nd term, re-elected in 2002 with 53%

Lieutenant Governor Sally J. Pederson (D), 2nd term, elected in 2002 with Gov. Vilsack

Attorney General Tom Miller (D), 6th term, re-elected in 2002 with 65%

IOWA BRIEFING

Auditor Dave Vaudt (R), 1st term, elected in 2002 with 48%
Secretary of State Chet Culver (D), 1st term, elected in 2002 with 50%
Treasurer Mike Fitzgerald (D), 5th term, re-elected in 2002 with 55%
Secretary of Agriculture Patty Judge (D), 1st term, elected in 2002 with 50%

State House: 100 (54R, 46D)
Speaker: Christopher Rants (R)
Majority Leader: Chuck Gipp (R)
Minority Leader: Pat Murphy (D)

State Senate: 50 (29R, 21D)
President: Jeff Lamberti (R)
Majority Leader: Stewart Iverson, Jr. (R)
Minority Leader: Mike Gronstal (D)

STATE PARTY

Chairman: State Senator Chuck Larson

Note: Although he remains Chairman, Senator Larson was called to active duty with his Army Reserve unit on November 12, 2003, and is serving in Iraq. Gentry Collins now serves as Deputy Chairman.

National Committeeman: Steve Roberts
National Committeewoman: Phyllis Kelly

STATE DEMOGRAPHIC PROFILE

Estimated Population 2000:

Iowa: 2,926,324, an increase of 5.4% since 1990

National: 281,421,906, an increase of 13.1% since 1990

Race/Ethnicity:

Iowa: 92.6% White; 2.8% Hispanic; 2.1% African-American; 1.2% Asian

National: 69.1% White; 12.5% Hispanic; 12.3% African-American; 3.6% Asian;
0.9% Native American

Median Age:

Iowa: 36.6 years (14.9% are 65 years and older)

National: 35.3 years (12.4% are 65 years and older)

IOWA BRIEFING

College Educated:

Iowa: 21.2%

National: 24.4%

Median Income:

Iowa: \$39,469

National: \$41,994

Households:

Iowa: 67.0% family households; 55.1% married couple families

National: 68.1% family households; 51.7% married couple families

(Source: 2000 U.S. Census Bureau)

YOUR PREVIOUS TRAVEL

| | | |
|--|----------------------------------|--------------------|
| Remarks and Signing of H.R. 1308, The Working Families Tax Relief Act of 2004 and Ask President Bush | Des Moines and Clive | October 4, 2004 |
| Bush-Cheney '04 Rally | Cedar Rapids | September 3, 2004 |
| Bush-Cheney '04 Rally at the Farm Progress Show | Alleman | August 31, 2004 |
| Bush-Cheney '04 Rally | Sioux City | August 14, 2004 |
| Remarks at Davenport, Iowa Rally | Davenport | August 4, 2004 |
| Ask President Bush | Cedar Rapids | July 20, 2004 |
| Remarks at Dubuque, Iowa, Send Off | Dubuque | May 7, 2004 |
| Remarks on the Economy | Des Moines | April 15, 2004 |
| Remarks at U.S. Cellular Center | Cedar Rapids | November 4, 2002 |
| Remarks at Sears Manufacturing; Fundraiser for Jim Nussle | Davenport | September 16, 2002 |
| Remarks at the Iowa State Fair; Fundraiser for Doug Gross | Des Moines | August 14, 2002 |
| World Pork Expo | Des Moines | June 7, 2002 |
| Tour and remarks at General Mills; Fundraiser for Greg Ganske | Cedar Rapids | April 15, 2002 |
| Roundtable and Remarks at The Printer, Inc.; Fundraiser for Tom Latham | Des Moines | March 1, 2002 |
| Tour and remarks at John Deere Harvester Works | Moline, Illinois (Davenport, IA) | January 14, 2002 |

IOWA BRIEFING

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|--|----------------|-------------------|
| Tax Cut signing celebration | Dallas Center | June 8, 2001 |
| Iowa Energy Center remarks on energy bill | Nevada | May 17, 2001 |
| Roundtable on the budget and lowering debt | Council Bluffs | February 28, 2001 |

THE VICE PRESIDENT'S PREVIOUS TRAVEL

| | | |
|--|--------------|--------------------|
| Bush-Cheney '04 2004 Rally | Dubuque | September 28, 2004 |
| Bush-Cheney '04 Town hall Meeting | Ottumwa | September 13, 2004 |
| Bush-Cheney '04 Town hall Meeting | Des Moines | September 7, 2004 |
| Victory 2004 Labor Day Picnic | Clear Lake | September 6, 2004 |
| Bush-Cheney '04 Town hall Meeting | Davenport | August 24, 2004 |
| Bush-Cheney '04 Rally | Clive | August 10, 2004 |
| Bush-Cheney '04 Rally | Waterloo | July 16, 2004 |
| Bush-Cheney '04 Rally | Sioux City | June 25, 2004 |
| Fundraiser for Stan Thompson and Bush-Cheney '04 Event | Des Moines | March 8, 2004 |
| Reception for Congressman Jim Leach | Cedar Rapids | October 20, 2003 |
| Bush-Cheney '04 Event | Des Moines | October 3, 2003 |
| Welcome Event | Sioux City | October 31, 2002 |
| Fundraiser for Stan Thompson | Des Moines | July 30, 2002 |
| Fundraiser for Congressman Leach | Cedar Rapids | July 29, 2002 |

¹ Bureau of Labor Statistics

² *Des Moines Register* poll conducted by Selzer and Co. Inc; July 17-21, 2004; 802 Iowans age 18 or older; margin of error +/- 3.5%

³ *Des Moines Register* poll conducted by Selzer and Co. Inc; July 17-21, 2004; 802 Iowans age 18 or older; margin of error +/- 3.5%

⁴ FOX News/Opinion Dynamics poll; September 21-22, 2004; 800 likely voters; margin of error +/-3.5%

⁵ Anzalone Liszt Research Survey for Rep. Leonard Boswell; August 22-25, 2004; 500 likely voters; margin of error +/- 4.4%