



## IOWA CHAPTER

# A Bold Vision for Iowa's Economy of the Future

The pandemic and resulting economic slowdown gives us a great opportunity to envision an economy of the future. Will it be bold and visionary? Or will we try to continue down the same path we have been on?

As we work toward Iowa's economic recovery after the pandemic, we should strive to implement initiatives that would move Iowa forward and would help establish Iowa as a leader. We need to look beyond the short-term quarterly profits that drive the large corporations and think about what is possible.

The Iowa Chapter of the Sierra Club supports green jobs that allow economic development AND environmental protection AND workers' rights AND protecting public health. Economic development, environmental protection, workers' rights, and public health can fit hand in glove. New jobs do not have to pollute the environment and destroy the public health.

### Areas of opportunity

On the ground, in Iowa, we are facing huge issues that would be improved by a bold vision that would support economic recovery. Iowans are seeing the impact of climate change and our evolving weather patterns, including major flooding, droughts, and the August, 2020, derecho. We are a huge contributor to the Dead Zone in the Gulf of Mexico. The CAFO (confined animal feeding operation) industry has caused problems with its neighbors who are being driven out of their homes due to the stench. Some CAFO owners are even wishing they had not gone down the path of owning a CAFO. The short answer to these problems is that we are needing a change.

First, let's examine areas where there are opportunities for a bold vision:

- Failures in the food supply chains and the inability to bring products to the market were highlighted by the pandemic.
- Small-scale farmers lack local or regional food processing facilities. The pandemic pointed out the need for smaller meat processing facilities.
- The global markets for agricultural products has collapsed. This implies a need to focus on local markets.
- The future will bring more electric vehicles, instead of internal combustion engines, which means the vehicles will use less gasoline and ethanol. With the reduced need for ethanol, farmers need to expand into additional crops besides corn and soybeans.
- Iowa needs to deal with the nutrient reduction strategy and other water quality issues.
- Iowa has had a weak response to climate change and evolving weather patterns.
- Iowa's tax system has become extremely unfair.

## **Policy recommendations for Iowa's Future**

### **Putting Iowa's agricultural economy on a firm foundation, by concentrating on developing local markets and increasing small farmers' access to markets**

- Establishing a healthy soils advisor at the Iowa Department of Agriculture and Land Stewardship. The advisor and his or her staff would make policy decisions on improving Iowa's soils. Additionally the advisor would educate farmers and landowners on techniques that would improve and maintain Iowa's soils.
- Increasing funding for the Leopold Center for Sustainable Agriculture, at Iowa State University, so it can carry out its responsibilities in researching sustainable agriculture practices, soil health, improved water quality, and allowing farmers who engage in sustainable agriculture to make a profit.
- Developing an Agriculture Climate Adaptation Plan. The plan would serve as a guide to dealing with the adverse effects of climate change, avoiding and mitigating climate change, and benefiting from strategies such as carbon sequestration.
- Initiating anti-trust actions against the largest companies and other actions to make the markets more competitive. Iowa's attorney general can initiate the anti-trust actions.
- Encouraging a review and the subsequent revision of state laws that are barriers to the expansion of sustainable farming practices.
- Supporting programs that assist in building small, community-scale processing plants for fruits and vegetables. Providing access to slaughterhouses for small-scale farmers who sustainably raise animals.
- Creating local farmer-seller cooperatives so groups of farmers can collectively move their products to market, including storage, processing, transportation, and marketing services.
- Providing preferences for local, sustainable foods when government institutions, such as schools and hospitals, purchase foods.
- Establishing a moratorium on new CAFOs and expansion of existing CAFOs.

### **Improving Iowa's water quality**

- Working on projects to improve water quality in Iowa. Iowa has begun investing in practices that reduce the levels of nutrients entering our water bodies, but the levels of investment are not nearly large enough to solve the problem. The projects that would be funded include installing stream buffers, bioreactors, and saturated buffers; planting cover crops; and installing grassed waterways and prairie strips.
- Incentivizing farmers to develop water quality plans that will help Iowa make real progress in reducing the nitrogen and phosphorus in Iowa's rivers, streams, and lakes.
- Requiring buffers along every stream.
- Establishing numerical standards for nutrients for Iowa's rivers, streams, and lakes, including a reasonable date for each water body to meet the standards.
- Regularly monitoring each of the major watersheds and lakes for nutrients throughout the year, so that 100 percent of the land in Iowa drains into a location with a water quality sensor.

### **Implementing fair progressive taxes**

- Placing a cap on the research activities tax credit (RATC). To keep the economy strong and the functions of government adequately funded, all taxpayers, including businesses, should pay their fair share. We should not be giving refund checks to the largest corporations in the world for performing research on their next products.

- Instead of spending taxpayer funds on the research activities tax credit, investing the equivalent amount of funding in our public universities.
- Implementing Fair progressive taxes, so that the state tax policy is not picking winners and losers.
- Capping tax increment financing (TIF). TIF has been given to some of the largest corporations in the world, companies that do not need the tax incentive. Similarly situated businesses should not be given a special advantage by significantly different levels of public investment into their businesses though the form of tax increment financing. Further, other tax payers should not have their property taxes increased in order to pay for the TIF incentives. TIF has also been used to pit communities against each other, with the taxpayer being the loser.

### **Ensuring Iowa's parks and recreation areas are supported**

- Reauthorizing Resource Enhancement and Protection (REAP), beyond 2023, fully funding REAP at \$20 million, and retaining the funding formulas as they are.
- Implementing the Natural Resources & Outdoor Recreation Trust Fund – the three-eighth cent sales tax – which will fund our parks and recreation areas, conservation of agricultural soils and improving water quality, with no changes in the funding formula.

### **Investing in Iowans**

- Advancing a public-interest research agenda in our publicly owned universities. Topics include renewable energy, water quality improvement, changes in agriculture to adapt to the evolving weather patterns we have been seeing in the state, and conservation biology.

### **Responding to climate change by encouraging individuals to reduce the use of fossil fuels**

- Increasing the use of renewable energy, including the use of consumer-owned distributed generation and storage, while retiring coal plants.
- Developing incentives to encourage Iowans to reduce their reliance on fossil fuels, including instituting a carbon fee.
- Restoring Iowa's energy efficiency laws so that utilities can spend a greater amount on energy efficiency programs. In the case of electricity, energy efficiency programs reduce the use of electricity which reduces the need to build new power plants. New power plants are expensive, which increases the costs of everyone's bills.
- Supporting the roll-out of electric vehicle charging stations across the state.
- Increasing the amount of money spent on LIHEAP so that the most vulnerable among us have access to electricity and heat. This is extremely important during the times when children are expected to use the internet for their schooling.

### **Conclusion**

A bold vision gives us a sense of the possible. It can move Iowa into the leadership position of providing jobs for the future. Further, that vision can solve many of the problems and challenges present in the state. The ideas in this paper form that vision.