

2011 LEGISLATIVE PRIORITIES

COMMERCIAL PROPERTY TAX INEQUITIES

Commercial property is taxed at the full 100% valuation of the property while residential and agricultural property pay only a small percentage of valuation. This places an unfair and nearly overwhelming tax burden on small business owners. The IRA, in partnership with other small business advocacy groups, is seeking revision of Iowa's commercial property tax system.

COMMERCIAL PROPERTY TAX INEQUITIES

INSPECTION FEES

Increased inspection fees are simply taxes in another form. The IRA believes the Department of Inspections and Appeals has adequate resources. Fee increases would be yet another burden on struggling business owners.

INSPECTION FEES

AFFORDABLE HEALTHCARE ALTERNATIVES

Iowa's restaurant employees need access to affordable, quality health care. Given national healthcare legislation has been passed, the IRA will proactively work with state and national legislators to find solutions that are cost-effective for restaurant owner/operators and employees alike.

AFFORDABLE HEALTHCARE ALTERNATIVES

EMERGING ISSUES

TAX HIKES ON RESTAURANT PATRONS

The IRA opposes allowing cities and counties to impose additional local taxes on patrons of food and beverage establishments (similar to hotel taxes and fees). Such local option taxes would increase consumer prices and impose an unfair playing field on establishments in adjoining communities.

RIGHT TO SERVE

The IRA has consistently supported consumer education efforts including the national uniform menu labeling legislation. However, the Association will also proactively support legislative efforts which ensure restaurant owners maintain the right to prepare and serve food that appeals to the marketplace in which they operate. Healthy eating should be promoted by education and information, not mandates or bans on certain ingredients or cooking styles.

NATIONAL IMMIGRATION REFORM

The Iowa Restaurant Association and the National Restaurant Association recognize immigration reform is necessary and must be conducted at the national level by Congress. The National Restaurant Association is carrying the concerns of the restaurant industry directly to Congress as solutions are considered.

IMPACT OF FOOD TO FUEL

The Iowa Restaurant Association will promote open discussion related to the pros and cons of use of food products in alternative fuel production. Food margins are very tight and restaurant operators track prices closely. Any legislative action that causes a substantial increase in the cost of foods is cause for concern to the industry, as well as consumers.

ONGOING ISSUES – REFORM NEEDED

ELIMINATE DRAM SHOP MANDATES

The restaurant and retail beverage industry is the only industry selling alcohol that is required to carry additional liability insurance addressing intoxicated persons who cause injury to a third party. Current Dram Shop requirements are not only a repetitive coverage to property insurance, they offer no liability limits and do not require proof a business owner or employee actively contributed to the intoxication of the person causing injury. This requirement places an unfair burden on the industry and should be repealed.

PREVENT FRIVOLOUS LAWSUITS

The IRA believes restaurants should not be held legally responsible for serving their customers food that the customer requests. Frivolous lawsuits deny the role of personal responsibility plays in the dietary choices individuals make. Healthy eating should be promoted by education and information, not lawsuits.



Iowa's Restaurant Industry—Key Part of State Economy

Iowa restaurants represent 10 percent of the state's total employment with more than 145,000 workers paid more than \$1 billion in wages annually. In addition, the industry generates significant state sales tax revenue with annual sales of more than \$3.3 billion.

The industry has keen interest in issues related to business climate, nutrition and healthy living, sustainability and social responsibility. Despite the proactive efforts of the Association's legislative team, several recent legislative actions have resulted in a negative impact on Iowa's hospitality industry. Specifically, changes in the state minimum wage, smoking bans, menu-labeling, proposed fee hikes, and the lack of action on property tax reform and frivolous lawsuits have made it increasingly hard to run a hospitality establishment in Iowa. The Association will continue to address these and other issues as they promote a pro-small business legislative agenda directly to state lawmakers.

2011 Officers

Mike Rastrelli, Chair
Rastrelli's Restaurant, Clinton

Linda Dedecker, Chair Elect
Hickory Park, Ames

Carl Wertzberger, Vice Chair of Government Affairs
Renaissance Savery Hotel, Des Moines

Clay Willey, Vice Chair of Finance
Prairie Meadows Racetrack & Casino, Altoona

Joe Spalding, Vice Chair of Membership
Johnny's Italian Steakhouse, Des Moines

Matt Smiley, Immediate Past Chair of the Board
Barmuda Companies, Cedar Falls

2011 Board of Directors

Robert Anderson
Iowa Culinary Institute, Ankeny

Alex Banasik
Down Under, Clive

Darin Beck
Barmuda Companies, Cedar Falls

Cindy Bramblett
My Verona, Cedar Falls

Jeanine Buckingham
Orchestrated Management Co., Des Moines

Scott Carlson
Court Avenue Restaurant & Brewing Co., Des Moines

Mark Doll
Doll Distributing, Des Moines

Jeff Duncan
Dos Rios, Des Moines

Ken Haugen
Houlihan's, Dubuque

Sam Jennison
Drake Restaurant, Burlington

Windy Kalmes
Kalmes Enterprises, St. Donatus

Tom King
Country Junction Restaurant, Dyersville

2011 Board of Directors (Cont.)

Bill Leichsenring
Ox Yoke Inn, Amana

Troy Leibold
Ludovissy & Associates, Dubuque

Ephraim Malag
Tournament Club of Iowa, Polk City

Tara Smiley
Barmuda Companies, Cedar Falls

Suzanne Summy, Immediate Past Chair
Trostel's Restaurants, Johnston

Jeremy Thompson
Luxco Spirited Brands, Des Moines

Dereck Trebilcock
Johnny's Italian Steakhouse, West Des Moines

Paul Trostel
Trostel's Restaurants, Johnston

Scott Vermillion
Martin Bros. Distributing Co., Cedar Falls

Dan Warren
Rock Bottom Restaurant & Brewing Co.,
West Des Moines

For further information contact:

Doni DeNucci, CAE, President/CEO
515.276.1454, ddenucci@restaurantiowa.com

Craig Walter, Lobbyist
515.278.8700, walter1@netins.net



8525 Douglas Avenue, Suite 47
Des Moines, IA 50322
515.276.1454
www.restaurantiowa.com