May 10, 2012

Dear Chairman Tiberi and Ranking Member Neal,

In the summer of 2008, the State of Iowa experienced the worst natural disaster in our recorded state history. 85 of 99 counties were declared Presidential Disaster Areas and damage estimates exceeded billions in one city alone. The entire Midwest suffered serious damage and continues to struggle to recover today.

The Iowa Delegation and others in the Midwest worked in a bipartisan fashion to pass supplemental disaster relief legislation in addition to a disaster tax relief package in 2008. This legislation, the Midwestern Disaster Tax Relief Act, included a provision to provide disaster areas with Midwestern Disaster Area Bonds to help ensure faster disaster recovery through economic growth and development.

Unfortunately, the authority to use these bonds expires at the end of this year despite only around $800 million of $2.6 billion in bonding authority being used in Iowa alone. The State of Iowa has worked hard to utilize as much of this authority but has been hit doubly hard with devastating floods on top of the worst recession since the Great Depression. A simple extension of authority to issue these bonds through January 1, 2015 would provide benefits that stretch far into the future for disaster impacted states in the Midwest.

Iowa has made progress but has work to do still in recovering from the Floods of 2008 and I thank the Ways and Means Committee for their previous support. Providing for an extension of Midwestern Disaster Areas Bond authority makes sense on a number of fronts, the foremost being job creation and economic growth.

I respectfully urge the Committee to include this common-sense extension which has broad bipartisan support in the Congressional Delegation, the State of Iowa, and the Midwest. Thank you for your time and consideration of this request.

Sincerely,

Dave Loebsack
Iowa’s Second District
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