

FEDERAL UPDATE

Trump Administration Withdraws Defense of Fracking Rule

The Trump Administration is withdrawing from a lawsuit challenging an Obama-era rule requiring companies that drill for oil and natural gas on federal lands be forced to disclose chemicals used in hydraulic fracturing. The administration will begin a new rule-making process later this year. DOJ lawyers representing the Interior Department asked the court to “continue the oral argument and hold these appeals in abeyance pending a new rulemaking.” The motion said, “As part of this process, the Department has begun reviewing the 2015 Final Rule (and all guidance issued pursuant thereto) for consistency with the policies and priorities of the new Administration.

President Trump Proposes the Elimination of 62 Agencies and Programs

President Trump's proposed budget slashes programs, with many agencies taking percentage spending cuts in the double digits. For dozens of smaller agencies and programs, the cut is 100 percent. Community development block grants, the Weatherization Assistance Program, the Low-Income Home Energy Assistance Program, and the Corporation for Public Broadcasting. All would be axed if Congress adopts the President's budget.

Presidential Executive Order Begins an Overhaul of the WOTUS Rule

On February 28, President Trump signed an executive order designed to roll back the contentious Waters of the U.S. rule. The executive order puts the legal case on hold and directs the EPA to rework the rule. Opponents argue that it will hurt valuable habitats that are home to a number of endangered species.

STATE UPDATE

Of Interest at the State Legislature

A number of bills with a potential for impact on Iowa businesses are moving through the legislative process. HF 518, which overhauls Iowa's workers' compensation legislation has passed the House. SF 32, permitting the use of hair in employee drug testing, has passed the Senate. Additionally, HF 529 which brings OSHA regulation in conformity to federal requirements and increases fines, passed the House.

Governor Issues Disaster Proclamation

On March 8, the Governor issued a disaster proclamation for Appanoose, Muscatine, Scott and Wayne counties related to severe weather events March 6. The Governor's proclamation allows state resources to be utilized to respond to and recover from the effects of this severe weather. The proclamation also activates the Iowa Individual Assistance Program for qualifying residents of the four counties. Applicants have 45 days from the date of the proclamation to submit a claim.

Companies Cut Emissions, DNR Cuts Budget

Iowa power plants and other businesses cut their emissions of pollutants by nearly 20 percent last year. This has significantly decreased the state's air-quality bureau's budget. So the Iowa Department of Natural Resources has

proposed a 3.7 percent increase in fees to support a budget for the year beginning July 1 that would be 13.8 percent lower than this year's. That would leave the department with nearly \$1.4 million to cut from its budget.

Upcoming Activities in 2017

NRECA Directors Conference – Tampa, FL	April 1 – 4, 2017
IAEC Managers’ Spring Conference – West Des Moines, IA	April 11 – 12, 2017
IAEC Legislative Breakfast – Des Moines, IA	April 12, 2017
CIPCO Board Meeting – Des Moines, IA	April 18, 2017
NRECA/IAEC Spring Legislative Fly-in – Washington, DC	April 23 – 26, 2017

Consumer Price Index

Month	Seasonally Adjusted Change from Previous Month
February 2017	0.1%
January 2017	0.6%
December 2016	0.3%
November 2016	0.2%
October 2016	0.4%
September 2016	0.3%
Unadjusted Rolling 12 Month Average: 2.7%	