

## Minority-rule tax amendment risks schools, safety, health

As few as 17 Senators could block a majority of lawmakers from passing tax laws

A deeply anti-democratic tax bill, SJR 11, has reared its ugly head again this session. It calls for a constitutional amendment that, if approved by voters, would derail our state's ability to fund the services that help make Iowa a good place to live, work and raise a family.

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Such a rule is often short-handed as a "supermajority requirement." But another way to describe it is "minority rule." In our 150-member Legislature, it would take as few as 17 members of the Senate

or 34 members of the House to stop a majority from correcting fiscal problems stemming from the tax policies lawmakers have passed since 2018.

Iowa constitutional amendment questions must pass through two separate General Assemblies to reach the ballot. This question first passed in 2024 as SJR 2006. It's now back as SJR 11. If lawmakers approve it again this session, it will appear on the fall ballot, where it will need just a simple majority to pass.

### **What was risky two years ago is outright reckless today**

There's no good time to put draconian limits on our ability to raise revenue — but now is distinctly bad.

- ▶ **After slashing the income tax, our state isn't bringing in enough revenue to sustain the services Iowans expect.** When lawmakers first advanced their minority-rule bill in 2024, the largest tax cuts were not yet in effect. Now they are. State revenue has dropped by 17% since its peak, and we face a \$1.3 billion deficit in the current fiscal year. At historic rates of revenue and spending growth, our surpluses will be gone in less than three years.<sup>1</sup>
- ▶ **Iowa faces substantial new Medicaid and SNAP costs, due to the 2025 Republican federal reconciliation bill.** H.R.1 shifts program costs onto states through a variety of increased administration responsibilities. It also limits use of provider taxes, which almost all states, including Iowa, use to help fund their Medicaid programs outside of the General Fund. Over time, these provisions will cost Iowa millions.<sup>2</sup>
- ▶ **Tough economic headwinds are likely to worsen our revenue problems.** In contrast to promises of the tax-cut proponents, Iowa's economy now ranks among the nation's weakest. Real GDP has risen an average of just 1.5% per year since 2017 — well below the U.S. average — and over seven years, real median household income grew just 1.5%.<sup>3</sup> On the ag side, tariffs have weakened grain prices, and the number of farm bankruptcies is on the rise.<sup>4</sup> Cutting public services when the economy is weakening is unwise because it compounds the problems, leaving struggling households with little help at a time when finding a good job is challenging.<sup>5</sup>

## SJF 11 would lock in regressive revenue raising and force budget cuts

The bill would visit its biggest harms on lower-income Iowans, who saw little benefit from recent tax cuts.<sup>6</sup> In fact, this group pays higher shares of their incomes in state and local taxes than their wealthier neighbors do.<sup>7</sup> They would also bear the brunt of cuts to the services they depend on to get by and get ahead.

- ▶ **SJR 11 would force legislators to choose primarily from regressive revenue-raising options.** That includes increasing the sales tax, fines and fees and forcing public colleges and universities to rely even more on tuition. All these moves would make working Iowans' lives less affordable — not more.
- ▶ **By making it nearly impossible to raise what has been our largest revenue source, SJR 11 would make budget cuts virtually unavoidable.** Even if we find consensus on some alternate revenue raisers, they're unlikely to be enough to replace the dollars lost to steep income-tax cuts. Once our surpluses are gone, lawmakers will be left with few options beyond deeply unpopular budget cuts. Schools, health care, child care and enforcement of environmental and worker protections are all vulnerable.

## The bill betrays democratic principles of representative government

The truth is, for decades, raising taxes in Iowa has been difficult — even with a simple majority vote. SJR 11 would insert current lawmakers into the business of future lawmakers with no knowledge of what future facts on the ground might be.

- ▶ **Requiring a two-thirds majority is a near insurmountable hurdle, even for bills with bipartisan support.** By making two “yes” votes for raising the personal or corporate income tax worth just one “no” vote, lawmakers would permanently shift the balance of power further toward well-connected tax opponents.

- ▶ **In fact, minority-rule requirements like those in SJR 11 empower big-money special interests,** who need to influence an even smaller group of lawmakers to hold a bill hostage.<sup>8</sup> Given today's historically large degree of political polarization, we should expect a supermajority requirement on raising revenue will lead to even more gridlock.<sup>9</sup>

Given the difficulties ahead, future lawmakers must have the full array of policy tools in their toolbelts to address them. SJR 11 is reckless and anti-democratic. Lawmakers should reject it.

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### Notes

- <sup>1</sup> Common Good Iowa, “The path forward: Raise revenue, don't slash the budget,” January 2026. Accessed at [https://www.commongoodiowa.org/moduledocuments/embed/119/260114\\_Data\\_snapshot\\_Path\\_forward\\_i\\_60B-C53FE1CA93.pdf](https://www.commongoodiowa.org/moduledocuments/embed/119/260114_Data_snapshot_Path_forward_i_60B-C53FE1CA93.pdf)
- <sup>2</sup> Center on Budget and Policy Priorities, “Harmful Republican Megabill Fails Iowa Families, Children, and Communities,” May 29, 2025. Accessed at [https://www.cbpp.org/research/state-budget-and-tax/harmful-republican-mega-bill-fails-families-children-and-communities#pick\\_state=1&state=IA](https://www.cbpp.org/research/state-budget-and-tax/harmful-republican-mega-bill-fails-families-children-and-communities#pick_state=1&state=IA)
- <sup>3</sup> State of Iowa, Iowa's Gross Domestic Product. Accessed at <https://data.iowa.gov/stories/s/iowa-s-Gross-Domestic-Product/ubgu-5xaq/>. Federal Reserve Bank of St. Louis, Real Median Household Income in Iowa. Accessed at <https://fred.stlouisfed.org/series/MEHOINUSIAA672N/>
- <sup>4</sup> Faith Parum, “Declining Farm Economy Continues to Pressure Profitability,” Farm Bureau, October 6, 2025. Accessed at <https://www.fb.org/market-intel/declining-farm-economy-continues-to-pressure-profitability>
- <sup>5</sup> Michael Leachman, “Why Supermajority Requirements to Raise Taxes Are a Bad Idea,” Center on Budget and Policy Priorities. February 2012. Accessed at <https://www.cbpp.org/blog/why-supermajority-requirements-to-raise-taxes-are-a-bad-idea>. See also Roxanne Bland, State Supermajority Requirements: A Good Idea at the Time? Tax Notes, April 2020. Accessed at <https://www.taxnotes.com/opinions/state-supermajority-requirements-good-idea-time/2020/04/10/2cdly>
- <sup>6</sup> Institute on Taxation and Economic Policy (ITEP) analysis for Common Good Iowa
- <sup>7</sup> ITEP, Who Pays? 7th edition. January 2024. Accessed at <https://itep.org/whopays-7th-edition/>
- <sup>8</sup> Leachman
- <sup>9</sup> Diane Stirling, “The ‘Great Divide’: Understanding US Political Polarization,” Syracuse University, October 23, 2025. Accessed at <https://news.syr.edu/2025/10/23/the-great-divide-understanding-us-political-polarization/>. See also Pew Research Center, “As Partisan Hostility Grows, Signs of Frustration with the Two-Party System. August 9, 2022. Accessed at <https://www.pewresearch.org/politics/2022/08/09/as-partisan-hostility-grows-signs-of-frustration-with-the-two-party-system/>