

Iowa PIRG

CITIZEN AGENDA

A Report To Members Of The Iowa Public Interest Research Group

America's Environment At Risk

Report: Fed. Policies Hurting Environment

On July 2, Iowa PIRG released a report detailing how corporate polluters have convinced the Bush administration to support policies that degrade Iowa's environment and compromise public health.

Among the 16 examples cited in the report is the Bush administration's failure to support the reauthorization of Superfund's "polluter pays" tax. The tax ensures that the EPA has funding to clean up the worst toxic waste sites in the nation if the polluter is not known or is unable or unwilling to pay for the cleanup.

From a high of \$3 billion in 1995, Superfund is expected to drop to just \$28 million in 2003. To help augment Superfund, taxpayers will shoulder an estimated \$700 million.

One Iowa site which may suffer a slowdown in cleanup is the Railroad Avenue contamination site in Des Moines. The site was recently added to the EPA's National Priority List—a list of the nation's worst toxic waste sites.

The report also documents how the oil and gas industry worked with the Bush administration behind closed doors to draft the administration's energy policy.

The Bush administration is calling for increased oil and gas drilling on our public lands at the expense of some of the most beautiful and fragile wild places in the U.S.

"Our leaders should listen to the public, not to polluters, and stop helping big corporations trample our environmental laws," said Iowa PIRG's Amber Hard.

Iowa PIRG is calling on Iowa's congressional delegation to step up its opposition to the Bush administration's anti-environmental agenda. ■

Stop Dirty Energy

Iowa PIRG Opposes Plan To Build Dirty Power Plant

With MidAmerican Energy planning to construct a massive new power plant, Iowa PIRG is calling on state officials to reject the plan in favor of cleaner, cheaper energy alternatives.

MidAmerican wants to build the coal-fired power plant next to an existing plant in Council Bluffs to meet growing energy demand in Iowa.

But according to Iowa PIRG's Amber Hard, "We don't need another polluting power plant, especially when clean, renewable sources can meet our energy needs." Hard also



RENEWABLE ENERGY POSSIBILITIES—Wind power alone could provide Iowa with almost five times the amount of energy that the state currently uses. In addition, farmers who host wind turbines on their land, as shown above, can make about \$2,000 a year by renting small amounts of land for wind turbines.

pointed out that Iowa's west-to-east wind currents would blow pollution from the plant across the state.

According to Hard, wind energy alone could provide Iowa with five times the amount of power that the state currently uses.

In addition, she noted that investments in renewable energy and energy efficiency could result in a net gain of 8,300 jobs for the state by 2010.

The Iowa Utilities Board is expected to decide on MidAmerican's proposal this winter. ■

Member Resource

✓ ENERGY
To learn more about Iowa PIRG's Smart Energy Choices program, visit www.iowapirg.org.

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News Briefs

Gov. Signs Strong Law For Livestock Farms

On April 29 Gov. Vilsack signed into law an Iowa PIRG-backed bill that keeps new large-scale livestock factory farms away from Iowa's drinking water sources.



BUILDING SUPPORT—Iowa PIRG's Amber Hard spoke with Congressman Leonard Boswell about the Bush administration's moves to weaken the Clean Air Act and Superfund.

The new law will protect Iowa's drinking water by limiting polluted runoff coming from factory farms. Additionally, it establishes air-quality standards that protect the health of rural Iowans and initiates a system of permit fees to fund these programs.

"This bill is a step in the right direction," said Iowa PIRG's Amber Hard. "Iowans will be better protected from pollution from factory farms, and the tab for this protection is being picked up by the industry instead of taxpayers."

Iowa PIRG was joined by more than a dozen environmental, spiritual, health and farm groups in supporting the bill, including the Iowa Farmers Union and Sierra Club. ■

Report Finds Some Playgrounds Unsafe

An Iowa PIRG report released on June 20 surveyed nine play-

grounds in Des Moines and one in Windsor Heights, and found that they all have inadequate surfacing (less than nine inches of loose fill). Eight of those playgrounds had climbers over six feet tall, higher than is necessary for play value.

According to the Consumer Product Safety Commission, in 2001 more than 190,000 children were treated in hospital emergency rooms as a result of injuries sustained on playgrounds.

The report, "Playing It Safe," also surveyed more than 1,000 playgrounds nationwide. ■

Iowa Beach Closings Increased In 2001

A report released by Iowa PIRG on July 24 ranked Iowa fifth in the nation for beach closures and advisories in 2001.

The report, "Testing The Waters," was written by the Natural Resources Defense Council and included Iowa data for the first time. It documented 454 closures and advisories at just 35 Iowa beaches last summer.

Iowa's high ranking is in part due to the fact that the state had one of the more comprehensive monitoring systems in 2001. In April, the Iowa Department of Natural Resources modified its policy and stopped monitoring for certain types of bacteria. Thus, during the 2002 season, Iowa's beaches saw fewer closings, but more advisories.

"The Department of Natural Resources began issuing advisories instead of closings when swimming standards are not met," said Iowa PIRG's Amber Hard. "Therefore, Iowa has had fewer closings and advisories so far in 2002, but not necessarily because the water is any cleaner." ■

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Member Resource

✓ PLAYGROUNDS

To download the Consumer Federation of America's playground safety checklist or the report "Playing It Safe," visit www.iowapirg.org.

No More Enrons

Watching The Watchdogs

On July 30, President Bush signed into law the Iowa PIRG-supported Sarbanes-Oxley Act of 2002.

"This legislation will help prevent cheating, punish criminals and protect small investors," said Iowa PIRG's Amber Hard. Specifically, the bill:

- creates an oversight board to enforce regulations and standards within the accounting profession;
- increases penalties for corporate wrongdoing;
- increases funding for investigators and technology at the Securities and Exchange Commission;
- requires CEOs and financial officers to vouch for the truthfulness and fairness of their company's financial disclosures; and

- broadens the scope of corporate financial disclosures.

To see the list of companies that have certified the accuracy of their books since the law went into effect on Aug. 14, visit www.sec.gov/rules/extra/ceocfo.htm.

One month before President Bush signed the act, Iowa PIRG and other state PIRGs released a report entitled "Who's Watching The Watchdogs?"

Investigating The Industry

The report examined one of the root causes of the accounting scandals that have roiled the nation's economy—conflicts of interest within the state boards that are supposed to regulate accountants.

"Accountants are supposed to be the public's watchdogs on corporate affairs, but the watchdogs were watching themselves," said Iowa PIRG's Amber Hard. "That's a recipe that makes it too easy for companies like Enron and WorldCom to cook the books." Iowa law



AP/Wide World Photos

FACING UP TO THE ENRON SCANDAL—During February hearings before the Senate Commerce Committee, former Enron Chief Executive Officer Jeffrey Skilling, center, flanked by Enron Vice President of Corporate Development Sherron Watkin, left, and Enron President and Chief Operating Officer Jeffrey McMahon, testified about the accounting practices that eventually caused the company to collapse.

states that the board should be made up of eight members: five certified public accountants and three public members with no knowledge of accounting.

According to the report, in June the makeup of the board did not meet that standard: it consisted of six accountants and two members of the public. Also, researchers were unable to easily (in a five-minute period) locate disciplinary information on the board's Web site.

Accountants In Charge

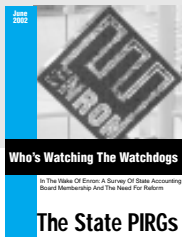
"Failures like Enron's are indicative of the sort of accounting that is practiced when there is no significant fear of consequences," noted Ed Mierzwinski, a consumer advocate in Iowa PIRG's national lobbying office. "Arthur Andersen operated in an atmosphere in which they had more to gain by approving Enron's slippery accounting tricks than by conforming to approved accounting standards."

Said Judith Fellneth, from the Center For Public Interest Law, "If you look behind the agency to the identity of the people who are controlling this profession, you will see that those people are largely CPAs making decisions that benefit and protect the CPA profession, rather than the public at large."

"While the final version of the bill that passed is important legislation, it is only the first step toward corporate accountability," Hard concluded. "We will continue to work for additional reforms and legislation to be passed." ■

Member Action

- ✓ INVESTING
Log on to www.enronwatchdog.org to view the full report and a list of resources for investors.



Report Examines Failures Of State Accounting Boards

In addition to work at the federal level, Iowa PIRG and the state PIRGs are actively advocating state-based reforms. In a June report,

"Who's Watching The Watchdogs," state PIRG researchers found the following:

- Nationally, four out of every five members of accountancy boards were accountants themselves (including accountants who were professors, state officials or retired).
- No state required that a majority of board members be non-accountants. Nine states had no public members on their boards: all members were accountants.
- Only 19 percent of accountancy boards adequately disclosed their disciplinary actions to the public on their Web sites.

For the full report, visit www.enronwatchdog.org.

IOWA PIRG



■ The Last Word

If You've Just Joined Us . . .



Jan Nelson

Amber Hard

If you recently joined Iowa PIRG, welcome. When you signed up, I'm sure our canvasser explained our top program priority this summer: convincing the Bush administration to side with the public over corporate polluters on a series of environmental issues.

You may not have had time to ask our canvasser about our track record. More to the point, you may be wondering what makes me so confident that Iowa PIRG can make a difference on such a daunting challenge. Here are just a few reasons I think we can succeed:

First, we've done it before. When the Bush administration threatened to allow more arsenic in our drinking water, Iowa PIRG and other state PIRGs helped rally the public outcry that convinced federal officials to reconsider.

Second, we've shown that we can win on tough votes in Congress. The oil industry put its power and influence behind convincing Congress to open the Arctic National Wildlife Refuge to drilling. But when the

votes were counted, the proposal was defeated in the Senate—thanks in part to the vote of Sen. Tom Harkin.

Third, we're in touch with the voters "back home" because we are back home. We know that Iowans and other Americans don't want to see corporations rewriting our environmental laws, not because we took a poll, but because we talk to ordinary citizens every day, in communities like yours throughout the state and across the nation.

The stakes in the debate over our national environmental protections are high, which is the main reason Iowa PIRG has made this issue a priority. But in the meantime, solving the state and local problems that affect Iowa's consumers and our environment remains at the forefront of our agenda.

To learn more about our track record, on both the federal level and on issues closer to home, visit our Web site at www.iowapirg.org.

Amber Hard is Iowa PIRG's Public Interest Advocate.

■ Iowa PIRG

Iowa PIRG is an advocate for the public interest. When consumers are cheated, or our natural environment is threatened, or the voices of ordinary citizens are drowned out by special interest lobbyists, Iowa PIRG speaks up and takes action. We uncover threats to public health and well-being and fight to end them, using the time-tested tools of investigative research, media exposés, grassroots organizing, advocacy and litigation. Iowa PIRG's mission is to deliver persistent, result-oriented public interest activism that protects our environment, encourages a fair, sustainable economy, and fosters responsive, democratic government.

IOWA PIRG CITIZEN AGENDA

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