



2022 Legislative Priorities

The Urban County Coalition is a coalition of the five largest counties in eastern Iowa. We are committed to preserving local control and decision-making authority to give our constituents the greatest control and accountability over their governments. We believe that Thomas Jefferson was correct when he said, “The government closest to the people, serves the people best.”

Mental Health Funding: We appreciate that the Legislature has taken a major step toward sustainable funding for both the children and adult mental health systems. We would encourage them to make sure that they keep in mind several challenges that remain:

- The Legislature must keep its promise and fund the system in accordance with the guidelines set forth in Senate File 619;
- Make sure that regions have enough time to responsibly spend down reserve fund balances and are not forced to remit locally levied property tax dollars to the state regional incentive fund;
- Allow regions to maintain a fund balance that is adequate to make sure payments to providers are made on time.

Unfunded and Underfunded Mandates: We encourage the Legislature to act to reduce the instances of cost shifting identified to eliminate the burdens they place on property taxpayers. The two areas that have the largest impact on local property taxes are collocation of state offices (DHS) and courthouse maintenance and security. We would encourage the General Assembly to conduct an interim study to update its study done a decade ago. Those two issues (Colocation and Security Expenses) are detailed below.

There are others as well that are delineated on the following page.

- **Housing State Offices at Local Taxpayer Expense** – Currently some counties are forced to house a variety of state agencies (DHS and the Courts, for example) and receive little or no reimbursement from the State. In addition, counties are forced to pay for expenses such as postage and office supplies and equipment at local property taxpayer’s expense. We request that the State no longer require that counties subsidize the local office expenses of state agencies. We would encourage the Legislature to pay particular attention to the document storage requirements of the Iowa Department of Human Services.
- **Courthouse Security and Expenses** - Like the housing of state agencies, local property taxpayers are bearing the entire burden of upgrading, modifying, or even replacing aging courthouses. There is a court expense added to virtually every criminal or civil action but none of this money goes to pay actual courthouse expenses. There needs to be an update of the 1984 compromise when the state absorbed the court system from local county government yet left the expenses of the court system on local property taxpayers. With the

advent of the 9-1-1 requirements on local government plus the need for security for the court system two decades ago, the state needs to share in these costs. We request the state allocate a portion of these funds to counties for courthouse maintenance and security. This is also an area where the state imposes costs on local governments by not moving the agencies to a paperless document storage program like it has other state agencies.

- **Publishing Costs** – Reduce publishing costs to local governments to publish meeting, and legal notices on-line and require only a summary to be published in local print outlets. Additionally, allow counties to publish in only one newspaper. We would also encourage the Legislature to provide a clearer definition of proceedings (example, does proceedings mean entire verbatim transcript of the meeting or does it mean a summary transcript of the meeting).
- **Paper Document Storage** - We request that the State make significant investments in the courts system and the Department of Human Services to increase their document digitization efforts and review all state requirements that deal with the retention pare documents.
- **Public Service Fees** - The Legislature needs to help local governments find a mechanism that make fees more accurately reflect the cost of providing the services. Last year, the Legislature agreed to raise the fee for food inspection services but there are others that are currently still subsidized by property tax payers. For example, the medical examiners fee for cremation permits has been set at \$75, to reflect the cost of that service; the fee should be adjusted to at least \$100(The actual cost of providing these permits can be as high as \$150).
- **EMS Services** - We appreciate that the Legislature provided a mechanism for local authorities to help fund these services, but the State has still provided zero funding. We believe that now that local taxpayers and the federal government have “skin in the game;” the State now needs to provide a program whereby local funds can be matched by state funds to provide these services. This program is too important to remain an unfunded mandate.
- **Medicaid reimbursement to county-owned facilities:** Counties that still have county hospitals are not receiving the state set rate for RCF services. MCO’s are paying the lower negotiated rate (80%). The counties in the UCC that are providing these services did not negotiate this lower rate and in the absence of a negotiated rate the MCO’s should be required to pay the state negotiated rate. The current system of managed care has failed and the Legislature must address the issue by finding other sustainable options.

County Bonding: The UCC appreciates the Legislature adding the ability to make disaster recovery and mitigation an essential county purpose. We believe that in matters of public finance, counties should be treated in the same manner as cities. The UCC supports allowing counties the same flexibility in bonding for certain projects that the cities currently enjoy. We also ask that the limit be raised to a consistent level with cities, currently five million dollars. In addition, the definitions of essential county purpose have not been updated to address new challenges faced by counties. We ask that the following category be added to essential county purposes: **Courthouse Improvements and Upgrades**. In addition, we request the Legislature consider allowing counties to establish a fund to address the rapid deterioration of our rural roads where funds can be earmarked for infrastructure adversely affected by rainfall, flooding and other weather events.

With the increased costs of construction materials and the increase in the amount of precipitation being experienced in recent years, it is not possible to keep up with maintenance of rural gravel roads and small bridges with the current funding systems. Cities currently have the authority to establish a capital improvement fund for projects like these on a pay as you go basis. Counties need to have a similar authority to make sure that when large expenditures are necessary, strategies can be developed to minimize the effect on taxpayers.

Additional Issues

Iowa Public Employees Retirement System: Iowa has one of the most solvent and well-funded public retirement systems in the United States. It has maintained that status with conservative investment policies and conservative growth projection.

IPERS is an important and effective recruiting tool to help government agencies attract talented workers. We encourage the Legislature to carefully consider the long-term implications to that viability before any changes are made to the current system. Additionally, we would request that the State remove the increases in IPERS contributions from the growth limitations outlined in the 2019 Property Tax Reform Bill. Local governments have no control over this and to make it subject to the growth limitations is a burden to local governments.

Water Quality: We support the funding of the Iowa Water and Land Legacy fund established by constitutional amendment as passed by two thirds of Iowa voters. The UCC would be opposed to any efforts to change the formula to anything other than that which was overwhelmingly approved by voters. We would also ask the Legislature to look closely at local partnerships that have been established and are having a positive effect. These efforts, including watershed management authorities, should be given the resources they need to make sure the work they are doing can continue.

Dangerous Drug Use: The UCC recognizes the spread of the use of methamphetamine and deaths related to the use of heroin and abuse of prescription drugs, and the effects this abuse has on communities. The UCC encourages the General Assembly to seek additional measures that mitigate and curb the abuse of opioids and other injection-drugs. We appreciate the action the Legislature took to enhance the Iowa Prescription Management Program, a key part of any strategy employed to reduce the use of the abuse of prescription drugs. We appreciate the Legislature's effort during the 2018 and 2019 sessions. Though opioid-related deaths in Iowa are down, the use of meth and the abuse of prescription drugs causes other impacts on Iowa families. The UCC also continues to encourage the Legislature to adequately fund the drug courts. In addition, we urge the Legislature to work with law enforcement and public health groups to make sure that Iowa's drug paraphernalia laws are compatible with best practices with regards to evidence-based harm reduction strategies.

Tax Credits: Tax credits play a major role in rebuilding communities. While we understand that these programs should be used judiciously, we believe that the current tax credit programs work (such as the Historic Tax Credit, the Endow Iowa Tax Credit, and the Renewable Energy Tax Credit). Any policy that proposes to change the way these credits currently work should be carefully balanced against the economic/tourism value if implemented.

Tax Increment Financing: We understand that this is an important tool (and one of the few) left to local governments to encourage economic development. We request that the Legislature treat county governments in a similar manner to school districts -- namely consider a mechanism to replace revenue lost from TIF districts when they are established in counties. Should changes be considered, we ask that the Legislature make counties more active partners in the use of TIFs.

Payment in Lieu of Taxes: We request that the State consider clarifying the statute governing PILT and make it mandatory that when a PILT agreement is reached that the payment is equitably distributed among all of the taxing jurisdictions.

REAP and IWLL: We encourage the Legislature and the Governor to continue the program and fully fund the program at the \$20 million level. We also encourage the Legislature to reconsider passing the IWLL approved by the voters. By not adequately funding the REAP program, the Legislature is forcing local communities to look towards conservation bonding, with its property tax implications, as well as other avenues to fund projects already supported by voters.

Emergency Management Agency Funding: The current funding formula does not adequately address the needs of the urban counties in Iowa. The UCC's stance is the Legislature should eliminate the funding cap on urban counties. We also encourage the State to pass through 80 percent of the federal funding it receives to counties.

Early Voting: The UCC requests that the Legislature reinstate the ability to conduct elections to the locally elected officials who by law are empowered to conduct elections. Many of the changes recently enacted by the General Assembly have made it more difficult for both the voters to cast votes, and more difficult for local officials who are charged to conduct elections by state law.

Update State Noxious Weed Law: The threat of invasive plant species is a quickly growing problem across all of Iowa. The current Noxious Weed Law (Code of Iowa Chapter 317) addresses the control and seed production of mainly agricultural problematic species. But since the creation of Iowa's Noxious Weed Law in the 1920s, many other invasive plant species have spread across Iowa. Because these very problematic invasive plant species are not regulated within the Iowa Noxious Weed Law, there is little County Weed Commissioners can do to combat and manage these species. Legislative action and appropriate funding are critical to modernize and update the State Noxious Weed Law, including bringing together multiple partners and stakeholders (Farm Bureau, Iowa Department of Natural Resources, IDALS, Iowa Weed Commissioners Association and private landowners) for input to more effectively and efficiently manage the threat of existing noxious weeds and invasive species.

Maintain jurisdiction of children in juvenile court: All children deserve to have their cases served in juvenile court systems, where they can have their individual needs and the specifics of their case considered. To achieve this (Code of Iowa 232.8) the law should be changed to ban the placement of children in adult jails and to remove "statutory exclusion" which automatically transfers children accused of certain offenses to adult court, thereby removing the discretion of juvenile court judges to evaluate those cases on a case-by-case basis.

Manufactured Housing Communities: Manufactured and mobile home communities are critical to the affordable housing infrastructure in rural Iowa. Counties have seen a dramatic increase in the purchase of these communities by out-of-state companies. We would like to see the State consider adopting laws that offer residents of manufactured housing communities similar protections to those offered by Iowa's landlord/tenant laws.

Alternative Project Delivery: We request that the Legislature more clearly define how a local government can determine if a respondent to a public bid on a project is "responsible" as listed in Iowa code. In addition, the Iowa General Assembly should consider allowing alternative methods of project delivery when it is the best interest of the property tax payer to do so.

Tourism Funding: Tourism is a growing industry in many communities across the state. We encourage the Legislature to leverage the significant community investments being made and better fund the several programs (Community Attraction and Tourism program, Enhance Iowa, Great Places, Downtown Revitalization Fund) Iowa currently has in place to encourage local communities to improve and expand tourism opportunities.