Dear Legislator:
As the state of Iowa and its local governments face continued governance challenges, the need for a strong partnership between the state and the counties is critical. It is important that the two levels of government work together to meet citizen demands while staying within our resources. Accordingly, we are providing you with this copy of the Iowa State Association of Counties (ISAC) 2015 Legislative Priorities. The county platform was crafted by the ISAC Legislative Policy Committee and approved by the full membership at the 2014 ISAC Fall School of Instruction on November 12, 2014.

ISAC’s top priorities for the coming session include long term funding solutions for Iowa’s roads as well as issues related to Iowa’s mental health and disability services system. Providing sufficient financial resources to maintain county essential services to the citizens of Iowa will continue to be critical as a result of the property tax relief enacted in 2013. Lastly, ISAC supports legislation that would give local government the tools to meet open records requests without the over burdensome demand that the data be in only the format of the one requesting it.

We look forward to working with you this session, and we hope to continue to improve the state and local partnership. If you have any questions, please do not hesitate to contact us or a member of our government relations team: Jamie Cashman or Lucas Beenken.

Sincerely,

Melvyn J. Houser
President

William R. Peterson
Executive Director

The Iowa State Association of Counties (ISAC) is a private, nonprofit corporation that was incorporated on October 8, 1964. Senate File 37, which was adopted on June 30, 1971, allowed counties to pay member dues to the organization. ISAC members are elected and appointed county officials from all 99 counties. Counties pay voluntary dues to belong to ISAC in return for a number of services. ISAC members participate in one of 15 different statewide affiliated associations corresponding to each county office.

ISAC’s mission is to promote effective and responsible county government for the people of Iowa. To that end, ISAC’s stated purpose is to secure and maintain cooperation among the counties and county officials, promote comprehensive study of local problems and find ways of solving them, provide methods of interchange of ideas among various county officials, and promote and work for the enactment of legislation that is most beneficial to the citizens of Iowa. These endeavors support our vision of being the principal, authoritative source of representation, information and services for and about county government in Iowa.

The County Voice at the Capitol
ISAC employs two full-time government relations professionals to be the eyes and ears of county officials and employees throughout the state. Jamie and Lucas work closely with county officials throughout the year to develop and advocate for the county platform. During the legislative session they spend their time at the Capitol and are great resources for legislators. Don’t hesitate to contact them for any county-related information.

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2015 ISAC Board of Directors

Each of ISAC’s affiliates has one seat on ISAC’s Board of Directors (except Supervisors, which have three). According to ISAC’s Articles of Incorporation, the Directors shall be elected annually at the annual or special meeting of each affiliated association.

2015 ISAC Legislative Policy Committee

This Legislative Policy Committee is composed of two representatives from each ISAC affiliate. The committee has worked together to create this short and cohesive set of legislative objectives for ISAC to pursue in 2015.

Committee Chair: Joan McCalmant, Linn County Recorder and ISAC 1st Vice-President

Assessors
Dale McCrea, Muscatine County
Deb McWhiter, Butler County

Auditors
Ken Kline, Cerro Gordo County
Dennis Parrott, Jasper County

Community Services
Lori Elam, Scott County
Shane Walter, Sioux County

Conservation
Dan Cohen, Buchanan County
Matt Cosgrove, Webster County

County Attorneys
Darin Raymond, Plymouth County
John Werden, Carroll County

Emergency Management
Mike Goldberg, Linn County
AJ Mumm, Polk County

Engineers
Paul Asman, Crawford County
Lyle Brehm, Tama/Poweshiek County

Environmental Health
Eric Bradley, Scott County
Joe Neary, Palo Alto County

Information Technology
Micah Cutler, Franklin/Hardin County
Jeff Rodda, Polk County

Public Health
Kathy Babcock, Chicasaw County
Doug Beardsley, Johnson County

Recorders
Megan Clyman, Davis County
Kris Colby, Winnebago County

Sheriffs and Deputies
Don De Kock, Mahaska County
Lonny Pulkrabek, Johnson County

Supervisors
Cara Marker-Morgan, Fremont County
Burbin Matthews, Clay County

Treasurers
Jarrett Heil, Marshall County
Terri Kness, Jefferson County

Zoning
Joe Buffington, Henry County
RJ Moore, Johnson County
Mental Health and Disability Services

PROBLEM: Counties are facing continuing funding challenges regarding the new regional mental health and disability services (MH/DS) system. As the regions went fully functional on July 1, 2014, it remains to be seen whether the state has adequately funded the regions in order for the service system to maintain current services, let alone provide expanded services and services to additional populations as envisioned by redesign. In addition, the issue of the split employment of the mental health advocates between the counties/regions and the judicial branch still needs to be resolved. Finally, the requirement that the Department of Human Services (DHS) director approve the regions’ budgets or any budget amendments encroaches on home rule and will unnecessarily slow down a region’s ability to make the decisions necessary to meet the needs of its citizens with disabilities.

SOLUTION: ISAC recommends that the Legislature:
1. Eliminate the 80% reversion to the state of projected savings to the county/regional system from the Iowa Health and Wellness program and direct these savings into investments in the regional service system.
2. Amend the Iowa Code to vest all employment responsibilities, including payment, and appointment for the judicial mental health advocates with the counties.
3. Eliminate the requirement that the DHS director approve either the regions’ budgets or any ensuing budget amendments.
4. Provide sufficient state funding both for FY 2016 and FY 2017 to ensure that the regions have the resources necessary to provide and manage core services.

Multi-residential Property

PROBLEM: With the passage of SF 295 during the 2013 legislative session, a new multi-residential classification of property was created. The new class will benefit from a legislatively imposed rollback of taxable value which will decrease from 90% down 3.75% per year until assessment year 2022 when it will be coupled with the rollback for residential property. The decrease in taxable value and the resulting reduction in future revenue for local governments will result in a tax burden shift or decline in services. Furthermore, an administrative rule by the Department of Revenue (DOR) would require a multiple use property (such as commercial/multi-residential split) to be taxed wholly as multi-residential if the primary use is determined to be multi-residential. However, if the property’s primary use is determined to be commercial or industrial, the property will have a dual classification with each portion being taxed according to the class. The use of single or dual classification based on primary use will make the system inconsistent and unfairly benefit some commercial/industrial properties that would be taxed at the multi-residential rate. This will not only cause problems for property owners and assessors disagreeing over the primary use, but it will cause a tax burden shift if some properties receive an unfair reduction in taxable value.

SOLUTION: In the absence of the repeal of the multi-residential classification provisions, a standing appropriation should be established to ease the hardship of the substantial loss in future revenue local governments will experience. The loss in future revenue will result from the shift from commercial to multi-residential classification and the elimination of the replacement dollars for these properties. Effectively it will be a 13.75% reduction in taxable value in FY2017, and an additional 3.75% per year until the coupling with the residential class. Legislation should be adopted to address the DOR administrative rule and implement a system of dual classification for multiple use properties so each portion is taxed according to its classification.
Records Requests

PROBLEM: Government officials are required to spend significant time and resources to comply with records requests from companies seeking Iowa taxpayer data and information for resale. Counties have been threatened with and engaged in legal action because they were unable to provide data in the format requested by the companies, or manipulating the data would have required extensive resources or third-party software vendor services. Current law only requires the release of records in the format used by the government entity, but this language has been at issue in the aforementioned lawsuits.

SOLUTION: Clarify Iowa’s open records statute that allows government officials to reject records requests that seek data in a format other than that used by and readily accessible to the government entity. Amend Iowa’s open records statute to allow government officials to provide a quote for data manipulation and receive payment up front for records requests for data in a format other than that used by and readily accessible to the government entity.

Road Funding

PROBLEM: Iowa’s roads and bridges are a vital component of the continued growth of the state’s economy, and every road jurisdiction is struggling to adequately maintain its portion of the road system. The cost of building and maintaining roads continues to increase, while the user fee per gallon of gasoline has not increased since 1989. In addition to general inflation, Iowa’s road maintenance issues have been exacerbated by harsh winters, floods, and heavy equipment usage. Counties are limited in the amount of general fund dollars that can be transferred to be used for secondary roads and bridges, so they are dependent on state and federal funds for critical infrastructure maintenance and repair. Due to the shortfall in road funding, counties have turned to bonding in order to provide critical funding for maintenance of roads and bridges. These bonds are repaid with property tax revenues, contrary to the state’s goal of reducing property tax expenditures throughout the state. Additionally, the use of bonds fails to capture funding from the out-of-state vehicles impacting Iowa’s roads.

SOLUTION: ISAC recommends the following:

1. ISAC supports long term, sustainable transportation funding solutions to address the critical needs of our infrastructure system. The 2011 Road Use Tax Fund (RUTF) Study found an annual shortfall of $215 million for the most critical needs and more than $1.6 billion overall. A hybrid fuel taxation system that combines a per-gallon user fee and an excise sales tax could help address the critical needs of Iowa’s roads and bridges.
2. ISAC supports legislation that would enable the Iowa Department of Transportation to provide primary highway funds to counties and cities in lieu of federal funds. This swap would provide efficiencies for state and local governments as the state is better equipped to comply with federal regulations and would no longer have to oversee and audit federal dollars used at the local level.
3. ISAC supports an increase in the permit fees for oversize/overweight vehicles. The current fee of $10 for a single, one-way permit does not reflect the impact and costs associated with oversize and/or overweight vehicles, and is significantly less than surrounding states that charge between $300 and $500.
4. The Transportation Investment Moves the Economy in the 21st Century (TIME-21) law seeks to focus $225 million on the priorities set by the TIME-21 study. The $225 million cap to the TIME-21 Fund must be maintained, and increased revenues in excess of this cap should be distributed through the RUTF formula.
5. ISAC supports the application of the state excise sales tax on dyed fuel sales, and designating revenue from this source for bridge and culvert repair and replacement on the secondary road system.
Agricultural Building Value

PROBLEM: The value generated by agricultural buildings is automatically subtracted from the value generated for agricultural land by the productivity formula. The result is that the construction of any new agricultural building adds zero net value to Iowa's property tax base. This situation serves as a disincentive to agricultural economic development for county governments because large-scale livestock operations impose significant additional costs on counties, such as road maintenance, without expanding the tax base to help pay for those costs.

SOLUTION: Agricultural buildings should be valued at their replacement cost new less depreciation, and then the appropriate agricultural factor should be applied per Department of Revenue rule. The value of agricultural buildings would not change from its current level, but the value would be in addition to the value generated by the productivity formula for agricultural land. This could be accomplished by adding the following new language at the end of Iowa Code §441.21(6): “Beginning with valuations established as of January 1, 2015, a structure located on agricultural land, excluding agricultural dwellings, shall be valued at its replacement cost new less depreciation, and then adjusted by the appropriate agricultural factor. Such structures shall be valued as agricultural structures and the valuation determined under this subsection shall be in addition to the valuation determined for agricultural land, excluding agricultural dwellings, shall be valued at its replacement cost new less depreciation, and then adjusted by the appropriate agricultural factor. Such structures shall be valued as agricultural structures and the valuation determined under this subsection shall be in addition to the valuation determined for agricultural land under subsection 1.”

Agricultural Exemption from Zoning and Building Codes

PROBLEM: The exemption for farm houses and buildings from county building codes and zoning regulations needs to be clarified. Legislative amendments (1963) and an opinion from the Attorney General’s Office (#97-1-1) have made it virtually impossible for counties to apply objective standards in uniformly and consistently administering the exemption. Because of the changing nature of agriculture, this state-mandated exemption will only become more difficult for counties to administer. When counties adopt building and zoning regulations, the public health, safety, and welfare benefits of those regulations should be applied to all households regardless of the owner’s occupation. The exemption also prevents a county from enforcing setback requirements on farm buildings. Buildings too close to the road have a significant impact on drifting snow, road maintenance, and traffic safety.

SOLUTION: Amend Iowa Code §§331.304(3)(b) and 335.2 to eliminate the farm house exemption. The building exemption would still apply to “farm barns or farm outbuildings,” and the zoning exemption would still apply to “land, farm barns, farm outbuildings, or other buildings or structures” used for agriculture. Amend the relevant sections of the Iowa Code to allow for the inclusion of farm buildings in county setback requirements.

Bonding for County Courthouse Improvements

PROBLEM: Iowa law requires counties to provide and maintain space for the state-run court system. Under current law, bonds issued for public buildings are authorized as “essential county purpose” bonds if the cost of the building project does not exceed dollar amounts specified in the Iowa Code. The limits are indexed to county populations and increase incrementally from $600,000 to $1.5 million. Essential county purpose bonds issued within these parameters require a 10-day notice to the public and are not subject to reverse referendum. Bonds that exceed the limit are considered general county purpose bonds and must be approved by referendum with 60% of the voters approving. This is keeping some counties from providing and maintaining adequate space for the courts.

SOLUTION: Amend the Iowa Code to conform the requirements for essential county purpose bonds with the requirements for Iowa’s cities and base bond amount limitations on public buildings on the amount of the bonds issued rather than on the total cost of the project. Essential county purpose bond limitation amounts would apply to the principal amount of the bonds issued rather than the cost of the project.

Conservation Resources

PROBLEM: Iowa’s natural resources need a consistent and protected funding source. Lack of funding translates into fewer investments that are important to quality of life and economic activity in Iowa communities. The Resource Enhancement and Protection (REAP) is a nationally recognized state funding program that helps counties make improvements to parks and facilities, protect important outdoor recreation areas, build and improve trails, protect water quality and preserve soil, conduct education programs, manage roadways, and preserve and enhance historic sites and tourism attractions. REAP investments are known to enhance Iowans’ quality of life, and are economically important to Iowa communities. Funding of conservation resources is supported by the public: In November 2010, 63% of Iowa voters approved the creation of a constitutionally protected Natural Resources and Outdoor Recreation Trust Fund. REAP has never been fully funded, and the Natural Resources and Outdoor Recreation Trust Fund has not yet been funded.

SOLUTION: ISAC supports the increase in the state sales tax by at least 3/8th of a cent to fund the Natural Resources and Outdoor Recreation Trust Fund and full funding for REAP.

Delinquent Mobile Home Taxes

PROBLEM: Collecting delinquent mobile home taxes is an issue for most counties in the state, and there is little interest from private buyers to purchase the delinquent taxes during a tax sale.

SOLUTION: Amend Iowa Code §321.40 to allow county treasurers to put a stop on vehicle registrations and renewals until the applicant pays any local mobile home taxes due in any county.
Election Reform
Absentee Ballot Postmark
PROBLEM: Ballots from voters that are received through the mail after Election Day cannot be counted if their return envelopes have no postmark or have an illegible postmark. Due to no fault of the voter, the ballot is rejected. The practice of postmarks being placed on return envelopes is inconsistent throughout the state of Iowa. In many counties postmarks on absentee ballots are almost non-existent.

SOLUTION: Amend Iowa Code §53.17(2) to state that no absentee ballots received after polls close on Election Day will be counted.

Online Voter Registration
PROBLEM: Iowa law requires an original signature on the voter registration form in order for the registration to be processed. This is required for new registrations as well as updates made to a current registration. This requirement does not allow for counties to take advantage of having voters register online which would streamline the process in this digital age.

SOLUTION: Amend Iowa Code §48A to allow for the acceptance of voters with an Iowa driver’s license or non-operator ID to register or update their registration online.

Food Safety
PROBLEM: In the past 35 years, the Legislature has increased food licensing fees twice. Both times, the increase was not enough to cover the cost of operating the program. Because of the low fees, many counties have returned the food program to the Department of Inspection and Appeals (DIA) (DIA inspected 23 counties in 2009 and inspects 52 counties today). Because of the low fees, DIA has lowered its inspection frequency two times in the past three years. Inadequate and irregular license fee increases are starving Iowa’s food safety system and have the potential to put the health and lives of the consuming public at risk.

SOLUTION: Increase food licensing fees to fully fund food safety program activities in compliance with Iowa Code. DIA should be authorized to administer the food licensing fees through the Iowa Administrative Code. There should be established an automatic fee adjustment mechanism to annually increase fees by the percentage increase in the consumer price index.

Kelsey Smith Act
PROBLEM: It is important for law enforcement entities to be able to use all possible tools to find individuals who are missing when there is the risk of death or serious physical harm.

SOLUTION: Adopt the Kelsey Smith Act into Iowa law so that upon request of a law enforcement agency, a wireless communications carrier shall provide call location information concerning the telecommunications device of the user to the requesting law enforcement agency in order to respond to a call for emergency services or in an emergency situation that involves the risk of death or serious physical harm.

Prisoner Medical Costs
PROBLEM: Various interpretations of Iowa Code §356.15 by the Iowa Supreme Court have resulted in confusion as to whether the county must pay for medical costs prior to accepting custody of a prisoner and for operation of city holding facilities used to hold prisoners prior to being seen by a magistrate if the county cannot or will not accept such persons. Additionally, the case law has resulted in confusion if the county must pay for medical costs, or merely provide access to medical care, in the event the prisoner has independent means to pay for the medical care (through the prisoner’s own finances or insurance).

SOLUTION: Amend Iowa Code to clearly state that all medical costs of prisoners after an initial appearance before a judge shall be covered by the county unless the prisoner has the financial means for coverage. Also, it should be better defined in Iowa Code on when the sheriff shall fully accept custody of a prisoner.

User Fees
PROBLEM: Property tax reform passed in 2013 will take an estimated $761.9 million out of county property tax revenues over the next 10 years. Counties provide necessary services and meet ever-increasing state mandates through property tax revenues. Adequate funding for roads, mental health services, local public health, the Environment First Fund, the Rural Enhancement and Protection (REAP) program and emergency management are areas of concern for counties. There are a number of services that counties provide to the public that are subsidized by property taxes because the fees charged to the customers are not adequate to pay for the service. Many fees have not been raised in years, and the increased expenses are funded by the property tax payer. This is an area that could be addressed by either increasing fees or by providing additional state funding to take the burden off of property taxes.

SOLUTION: Provide an avenue for additional funding for county government. One progressive tax alternative is to allow counties to impose a local option income tax surcharge. Another is to allow more local control of increases for fee-based services. Examples of fees that are controlled by the state and that need adjustment include the following:
- Driver’s license fee – increase the amount provided to support this local service from $7 to $10;
- Parking fine and court debt collections – allow counties to charge $5 for collecting delinquent parking tickets for cities and debts for the court system;
- E-Commerce - increase the fee or modify the base recording fees to cover the costs of maintaining a sustainable system, redacting personally identifiable information contained on recorded documents, providing technical support for document transfer to the website, and delivering electronically submitted documents to the counties for recording;
- Marriage license fee – allow the counties to retain $14 (currently $4) to support this local service; and
- Civil fees - increase sheriff’s civil fees for the provision of services in civil actions to better reflect the costs of carrying out these duties.
Save the Date!

County Day
at the Capitol

Join us March 11, 2015!

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