Mental Health and Disability Services

PROBLEM: Addressing long-term, sustainable funding has long been an issue since Iowa moved to a regional based mental health and disability services (MH/DS) delivery system. When the current MH/DS Property Tax Levy Caps were established, they were based on the core services mandated to MH/DS Regions at the time. Over the last two legislative sessions, new services for addressing complex mental health needs and services for children have now been mandated on the regions without any financial support from the state or giving the counties/regions the necessary ability to fund these services on their own.

SOLUTION: ISAC recommends that the 2020 Legislature:
• Provide the needed funding to counties/regions to ensure stability in the mental health delivery system due to the increased demand for additional services.
• If no essential revenue is provided from the state, counties should be allowed to exceed their current maximum per capita levy up to $47.28 to fund new services.
• If the above remedies are not advanced, an increase in the sales tax should be considered to fund MH/DS that must be constitutionally protected based on a distribution formula that is equitable for all counties in Iowa.

Commercial and Industrial Property Tax Backfill

PROBLEM: The taxable valuation of commercial and industrial property was legislatively reduced by 10% beginning in FY 2015. A standing appropriation from the state to local property taxing jurisdictions was implemented to make up for the future reduction in property tax revenue due to this rollback. Local jurisdictions are already absorbing property tax revenue reductions due to the rollback on the new multi-residential classification, the rollback on railroad property, the new exemption for telecommunications property, and the reduced growth limitation for residential and agricultural property. Any reduction or elimination of the commercial and industrial property tax backfill would likely cause a property tax increase that would fall largely on homeowners and agricultural property owners, a reduction in important services the residents of Iowa depend on, or a combination of both.

SOLUTION: The legislature should fully fund the commercial and industrial property tax backfill and should resist legislation implementing a rapid elimination or reduction or legislation that affects local budgets that have been set or are in the process of being set.

Water Quality and Quantity, Natural Resources, and Outdoor Recreation

PROBLEM: There continues to be a need to provide adequate, sustainable, and dedicated state financial resources to address the statewide concerns related to Iowa’s water quality management issues. There also remain on-going water quantity management challenges that must be addressed in efforts to minimize future losses caused by flooding through effective flood mitigation programs. Finally, the Natural Resources and Outdoor Recreational Trust Fund “has not been appropriated any funding since its inception in 2010. The Trust Fund is the best-known mechanism to address water concerns and also promotes public health and quality of life by ensuring enhanced opportunities for outdoor recreation.

SOLUTION: ISAC recommends the following:
1. The passage of a state-wide sales tax increase of at least 3/8s of one cent in support of the Natural Resources and Outdoor Recreation Trust Fund, or I-WiLL, to which it is commonly referred.
2. The maintenance of the distribution formula found in Iowa Code Chapter 461, outlined by the Iowa Legislature in support of the 2010 vote by Iowans on the Constitutional Amendment.
3. The passage of legislation that would support and encourage public sector entities, such as counties, to be directly involved in water mitigation projects that would involve county conservation boards, engineers, and supervisors.

Weight Limits on Secondary Roads

PROBLEM: Legislation adopted in 2018 allows vehicles transporting materials or equipment to or from a construction project or commercial plant site to operate on secondary roads under the limits of the maximum gross weight table for primary highways. Secondary roads and bridges were not designed to accommodate these heavier, more concentrated loads. As a result, secondary bridges statewide will need to be inspected, and it is estimated that about 3,500 bridges will have new weight restrictions. The cost of inspecting and posting load limit signs is an unfunded mandate. The weight restrictions on county bridges will likely also affect other types of vehicles, particularly agricultural traffic, as the restrictions will be based on construction vehicles with concentrated loads that put far more stress on roads and bridges.

SOLUTION: Repeal changes made to Iowa Code §321.463(9) in HF 2502. If that is not possible, amend Iowa Code to only allow the increased weights on hard-surface secondary roads.