

2023 ISAC Legislative Priorities

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Policy Statements – Public Safety

County Jails

Capacity

ISAC opposes any proposal to impose a statewide moratorium on the building of county jails. Local elected officials and local voters should decide if a new jail is needed in their county.

Jail Diversion

ISAC supports programs such as the Stepping Up initiative that examine treatment and service capacity to determine which programs and services are available in the county for people with mental illnesses and co-occurring substance use disorders and identify state and local policy and funding barriers to minimizing contact with the justice system and providing treatment and supports in the community.

Privatization

Management of county jails should not be turned over to private contractors. Instead, counties and sheriffs should continue efforts to professionalize county jail operations in this state. It is acceptable for a private contractor to build a jail and lease it to the county as long as the jail continues to be run by the county sheriff and staffed by county personnel.

Reducing the Cost of Probation Violators in County Jails

Rather than being sent to prison, probation violators under the control of the Department of Corrections (DOC) are sent to county jail. Sometimes they end up in jail due only to the probation violation, but in many cases, they also have another charge. Under current Iowa law, DOC reimburses counties for housing parole violators but is not required to reimburse counties for probation violators. Therefore, the state moves parole violators in and out of the jails in seven to 10 days on average, while probation violators remain in jail on average six to eight weeks and often longer. Local taxpayers are responsible for this increasing cost to counties. As the state assesses prison capacity and criminal sentencing, it must consider the housing of an increasing number of parole and probation violators in county jails, which drives up costs to local taxpayers. ISAC supports two options to ease jail crowding and the significant costs to counties: 1) identify a state facility to house probation violators; or 2) reimburse counties for probation violators, just like it does for parole violators, if the probation violator has been in the county jail for more than seven days. If a prisoner is in county jail on a probation violation and another charge, the state should share the cost of housing the prisoner equally with the county.

Sentencing Options

Relying on county jails to address the state prison system's space problem leads to jail overcrowding, increased liability exposure, and more demands on property taxpayers. ISAC opposes legislation that would increase the county jail population of state prisoners unless the state pays any additional costs to counties. ISAC supports the judicious use of sentencing alternatives and the expansion of state residential and correctional facilities to house state prisoners.

Court System Access

ISAC supports funding for the Iowa Judicial System that is adequate for the courts to successfully deliver vital services. Access, accountability, and affordability should be the key considerations in the development of any service delivery system. ISAC supports increasing the use of technology to provide access to the courts.

Courthouse and County Administrative Building Security

Recent potential major incidents in courthouse security and the requirement in some courts that there be an armed officer present during proceedings, there is an increased need for courthouse and county building security. With many counties already struggling financially, counties are facing difficult decisions in placing investments in public safety. ISAC supports adding language at the end of Iowa Code §602.1302 to include that the judicial branch "shall reimburse counties with the expenses associated with Iowa Code §602.1303(4)" which states "a county shall provide the district court with bailiff and other law enforcement services upon the request of a judicial officer of the district court." ISAC also supports that state block grant funding be made available to counties that are interested in providing additional security measures such as cameras and metal detection devices.

E911 and Public Safety Interoperability

ISAC supports changes to the Iowa Statewide Interoperability Communication Systems (ISICS) board, in conjunction with various public safety and fire associations, to address needed policy changes and communication/technology updates to solve this problem. ISAC also supports additional 911 grant monies for rural agencies that need resources to access updated communication systems.

First Responders Safety Act

During some emergencies and disasters, mandatory evacuations are required to protect lives. Gas and electrical utilities pose a threat to those who refuse to evacuate and to emergency and recovery personnel who are responding. As a result, ISAC supports legislation that would require utilities to temporarily stop service within mandatory evacuation zones. In addition, ISAC supports a requirement to the Iowa Utilities Board to annually provide a current, searchable mapping system that is either Internet-based or provided in hard copy to all local 911 centers, state homeland security and emergency management, and to local emergency management commissions that will identify what utility company provides electrical and/or natural gas services to a structure by address.

ICN Access for Emergency Management

Iowa counties have been unable to access the Iowa Communications Network (ICN) because they are not included in the definition of a “public agency” for purposes of ICN use in Iowa Code §8D.2(5)(a). This prevents counties from accessing and using the fiber optics network despite its presence in all 99 counties and in many courthouses for use by the clerks of court. ISAC supports including counties in the definition of public agency and allowing access to the ICN in an effort to expand communication capabilities and options within and among counties, while reducing costs to the taxpayers. In the absence of full access, ISAC encourages the allowance of limited access by local emergency management agencies to provide for greater interoperability among local, state, and federal emergency management and public safety agencies.

Justice Assistance Grants

ISAC supports continued federal funding of JAG Grants, which support many local drug enforcement task forces and replace the need for state funds.

Meeting Iowa’s Correctional Needs

The Legislature needs to consider less expensive, more innovative alternatives to prison.

Prisons

If Iowa is going to be tough on crime, there must be adequate correctional beds to hold those who need to be separated from the community at large. ISAC supports the state adding more correctional capacity as necessary to house dangerous and violent inmates.

Community Corrections

There is a significant shortage of community correction beds that can be used to reduce the demand for prison beds. ISAC supports the adequate funding of Iowa’s current system of community-based corrections in order to provide a comprehensive range of sentencing alternatives and to ensure the statewide availability of community-based programs.

Regarding community-based corrections and treatment programs, the state needs to:

- expand community-based corrections with an emphasis on eliminating the “log jam” of inmates waiting in prison for community placement;
- safely increase the parole rate by providing education, job training, and mental health, substance abuse, and sex offender treatment while inmates are in prison. These programs help make changes in offender behavior that result in safer communities and fewer parole revocations that significantly decrease the prison population;
- expand alternative sanctions, such as drug and vet courts, to divert offenders from entering prison and to ensure statewide access to alternative sanctions and community-based corrections; and
- increase probation and parole supervision to reduce revocation rates and the prison population.

Sheriff as an Elective Office

The sheriff’s jurisdiction covers the entire county, including all municipalities and townships. As the executive law enforcement officer of the county, the sheriff’s duty is to make sure that those who violate the law are arrested so that they may be availed of a fair trial and, if convicted, appropriately punished. The sheriff is charged by the people to assess public safety needs and to act accordingly within the law. The sheriff owes allegiance and accountability directly to the people. To remove the sheriff’s office from the elective arena would be to deprive the citizenry of the right to select a person to preserve the peace and to protect them against vice and crime. Accordingly, ISAC supports maintaining the sheriff as an elective office.

State Funding for Emergency Management and Homeland Security

While the state of Iowa places many requirements on local emergency management, it pays nothing toward the preparedness planning, training, and exercise drilling at the county level. These duties performed by county emergency management coordinators help to protect the state welfare and economy. In addition to local funding options, there needs to be a state appropriation to county emergency management agencies in order to help meet the present-day challenges of preparedness. Assistance is needed to cover the cost of all hazards planning, training, exercising, equipment, and personnel, all of which are similar to the limited federal emergency management performance grant program. Requirements for receiving state funds should not exceed current requirements set forth in both Iowa Code and Iowa Administrative Code. In addition, Iowa has many homeland security vulnerabilities that require coordination among the local emergency response community, elected officials, public safety officers, state agencies, federal agencies, public health, and private industry. Local first responders should be a primary resource for the development of homeland security planning and funding priorities. Sustainable homeland security funding should be utilized to build specific capabilities, protect responders, reduce vulnerabilities, and to ensure that Iowans receive the highest level of protection possible. ISAC supports legislative efforts to foster cooperative planning, specialized training, and coordinated response to acts of terror and natural disasters.

State Reimbursement for State Prisoners

Property taxpayers in Iowa spend more than \$130 million annually holding inmates in county jails. In recent years, the Department of Corrections has been holding more alleged violators of parole, work release, and OWI within the prison system rather than in county jails, which has decreased the number of claims. The county confinement line item in the state budget has remained fairly constant, and this needs to continue.

Storm Shelters

Many Iowans live in housing situations, including mobile and manufactured homes, which offer little protection from tornadoes and severe storms. These weather events also pose a significant risk to children in schools with inadequate shelter. ISAC supports legislation that would encourage the construction of Federal Emergency Management Agency (FEMA) standard storm shelters as part of a comprehensive prevention strategy aimed at reducing the loss of life associated with tornadoes and severe storms. This legislation could include tax incentives, such as tax credits or refunds, a multi-year phase-in of the law, or a small amount of state-funded grants for the construction of FEMA standard storm shelters.

Policy Statements – Taxation and Finance

Bonding for County Courthouse Improvements

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. ISAC supports legislation that bases essential county purpose bond limitation amounts on the principal amount of the bonds issued rather than the cost of the project.

Business Property Tax Credit (BPTC) Reform

The administration of the Business Property Tax Credit (BPTC) is overly complex and places excessive burden on county officials and state agencies because of the collection, formatting, submittal, and maintenance of property data and the granting of the credit to property units rather than per parcel. The timeframe for this process has also proven problematic and can cause delays in preparing tax statements. ISAC supports simplifying the BPTC by changing it to a per parcel credit while still using maximum values and multipliers to maintain the goal of targeting small businesses. ISAC also supports full funding of reimbursements to local tax entities for extending the BPTC.

Declaration of Value Filing on Limited Liability Company Transfers

When a property is sold in Iowa the purchase details are required to be made public. Real estate investors often create a limited liability company (LLC) and place the ownership of the property in the name of the LLC. When a sale occurs a disclosure of the real estate sale details is not required because there is no ownership change in the property, only the transfer of the LLC. While the creation of an LLC is beneficial to the owner for limiting liability and exposure, it is problematic in that local governments, the state, and the public are disadvantaged by not having full information about real estate sale prices in the marketplace. Additionally, real estate professionals, appraisers, and lenders do not have a full and accurate picture of the true market value of a property or

portfolio of real estate when sale information is not made public. ISAC supports requiring a sale price disclosure statement for a transaction involving an LLC as transferor or transferee that is exempt from payment of a real estate transfer tax. The sale price disclosure statement should reflect the sale price of the real estate without regard to additional consideration stated on the instrument of transfer. The sale price disclosure statement should be recorded with the instrument of transfer.

Delinquent Mobile Home Taxes

The collection of delinquent mobile home taxes is an increasing issue for most counties in the state, and there is little interest by private buyers in purchasing the delinquent taxes during a tax sale. The delinquent property then becomes a burden to the other property taxpayers of the county. ISAC supports efforts to increase the likelihood of collecting property taxes due and payable for mobile homes by: 1) authorizing the county treasurer to place a hold on vehicle registrations and renewals if the applicant has failed to pay local mobile home taxes until they are paid or a payment plan is established; or 2) making property tax payments the responsibility of the owner of the mobile home park.

Essential County Purpose

Iowa law requires counties to provide and maintain space for the state-run court system. Building projects over a certain threshold depending on the size of the county must be approved by referendum with 60% of the voters as general county purpose bonds. ISAC supports increasing the cap for county buildings considered as essential county purposes in Iowa Code §331.441(2)(b)(5), and making court-related building projects, including relocation of county offices to allow for adequate court space, an essential county purpose.

Funding of State Mandates

County budgets are extremely burdened with the costs of current and new state mandates. Depending on how a mandate is defined, one-third to two-thirds of each county's budget is consumed by various state-mandated functions. This increases the reliance on a regressive form of taxation - the property tax. Current legislation prohibiting unfunded mandates (Iowa Code Chapter 25B) has been less than effective because of exceptions written into various new laws. Any service mandated by state legislation or administrative action should be fully funded by the state to cover all costs of the mandate.

Low-income Elderly and Disabled Credit

Legislation passed in 2021 expanded the low-income elderly and disabled property tax credit to cover the difference between the property tax paid in the base year and the taxes due in subsequent years for property owners aged 70 years and older and gross income at or below 250% of the federal poverty level. This change was made without additional state funding and the loss of revenue must be absorbed by local taxing entities, expanding an already underfunded mandate. ISAC supports property tax credits for vulnerable Iowans that can least afford to pay, but tax credits granted by the state should also be funded by the state.

Preservation of County Services

Counties provide necessary services and meet ever-increasing state mandates through property tax revenues. State funding for roads and mental health services falls far short of the needs. Annually, adequate state support for local public health, the Environment First Fund, the Resource Enhancement and Protection (REAP) program, and emergency management are areas of concern for counties. In addition, the courts, local law enforcement, and county jails are enterprises that are funded with both state and local dollars. As the state determines how to manage its funding priorities, the legislature must understand that funding taken from local government will result either in significant cuts in services or in increased property taxes. Property tax credits represent a major issue. When the state reduces funding for property tax credits, but maintains the credit to the taxpayer, counties must raise property taxes to generate the difference. In essence, property taxpayers fund their own credits. Adequate funding for the programs that counties provide is critical.

Property Tax

Iowa's schools, cities, and counties provide many critical services to local citizens funded in part by property tax revenue. Recent changes to the assessment methodology for certain property will unduly reduce the future revenue of local governments. In order to mitigate the risk of a reduction in services or increase in property taxes among all classes, the legislature should fully fund all property tax credits. ISAC also supports a state appropriation to help local governments deal with the reduction in revenue due to the changes to the assessment methodology for multi-residential and telecommunications property, the phasing-out of the commercial and industrial property rollback, and the low-income elderly and disabled tax credit. As the state determines how to manage its funding priorities, the legislature must understand that funding taken from local government will result either in significant cuts in services or a shift of the property tax burden to other classifications of property. Any proposal brought forth that reduces the percentage at which property is assessed should be revenue neutral or provide the necessary level of funding to replace

the loss in local government property tax dollars. Funding for services that local governments are required to provide should be equal to the cost of services.

ISAC supports property tax reform that stabilizes the tax base, resolves unfair discrepancies within the current tax base, improves accountability in the budgeting processes of local governments, and imposes a reasonable limitation on city and county property taxes while maintaining local control for citizens and their elected representatives. There are steps that the Iowa Legislature could take that would improve the system and address the tax burden of local property owners:

- ISAC supports a phased-in decoupling of agricultural buildings from agricultural land, and the valuation of agricultural buildings at their full market value. Agricultural buildings account for about \$1.5 billion, or 5.1% of agricultural taxable value. However, the value generated from 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 is doubly problematic because large-scale livestock operations and grain facilities impose significant additional costs on counties, such as for road maintenance, without expanding the tax base to help pay for those costs.
- ISAC supports decoupling residential and agricultural property for purposes of the assessment growth limitation. The practice of limiting the growth of both classes to the lower level of the two, which began in the late 1970s to address rapidly rising residential values, is outdated and contributes to the growing disparity between residential property and commercial/industrial property. Each class of property should rise or fall, subject to the assessment growth limitation, on its own market factors.
- ISAC supports a lower limit on the assessment growth limitation. While there is currently a ceiling, there is no floor to limit the decline of taxable property value in adverse markets. By setting a limit on the devaluation in a given year, the property tax revenue stream would be protected from sharp declines in property valuation. While the assessed value would decline with the market, the taxable value would not be rolled back as much with lower limits in place.

Tax Increment Financing

Although ISAC supports the intent of legislation designed to encourage economic development, such as Tax Increment Financing (TIF) projects, the overall financial impact on counties can be significant. A couple steps can be taken to improve TIF without significantly affecting its use as an economic development tool. ISAC supports limiting all TIF districts to a certain number of years; this should apply even to TIFs designated for eliminating urban slum or blight and TIFs designated for economic development and created prior to January 1, 1995. ISAC supports reestablishing the base year or advancing to the current valuation level anytime there is a renewal of a TIF district and/or project, or anytime the boundaries of the TIF district are modified. ISAC opposes removing specific taxing entities or components from the division of revenue currently authorized by law.

Policy Statements – Transportation

Alternative Funding for County Roads

County roads are increasingly being subjected to loads that are causing excessive damage due to changes in farming practices and the development of biofuels, wind farms, and large confinement operations. The potential for additional mining and hydraulic fracturing projects in the state would make this problem even worse. County roads were not built with adequate base or surfacing to resist loads from an increasing number of trucks, large grain carts and wagons, manure tanks, agricultural floaters, and construction vehicles. These larger vehicle loads are stressing county roads at a time when revenues are either flat or decreasing and material, labor, and fuel costs are increasing and stressing road maintenance budgets. As vehicle fuel efficiency increases, traditional Road Use Tax Fund revenues will further decline. To address the additional road damage caused by these changes in equipment and the location of new facilities on unpaved or lightly paved county roads, ISAC supports additional revenue options that focus on recovering the cost for serving these facilities. ISAC recommends that these additional revenue options be in the form of surcharges, impact fees, development fees, or licensing fees for the location of these facilities. Examples include, but are not limited to: a per head livestock fee; a per gallon liquid manure fee; a permit fee for large agricultural equipment used on county roads, similar to the agricultural floater permit; a minimal per gallon fee for each gallon of biofuel produced, similar to surtaxes on coal and other fossil fuels charged by many western states; or other use-based fees.

Buggy/Carriage Registration

Buggies and carriages used for travel, especially those exempt from the steel wheel prohibition, cause damage to roads. With no fuel tax or registration fee, these vehicles are not contributing to the Road Use Tax Fund that helps with the maintenance, repair, and replacement of secondary roads. ISAC supports a registration fee for buggies/carriages, the same as other trailers.

Control of County Rights-of-Way

Present law is vague on the extent of the authority counties have to control activities within the right-of-way, such as burning, brush cleaning, and utilities placement, yet the county is often held liable for vegetation growth and obstructions or hazards found within the right-of-way. ISAC supports the right of the board of supervisors to have control over all uses of the public rights-of-way.

Eminent Domain

Condemnation is used as a last resort by Iowa counties, most often to acquire land for roads that are essential for the economy of rural Iowa. ISAC opposes any attempt to weaken the county's ability to use eminent domain beyond the considerable restrictions already in place, and ISAC supports continued local control of eminent domain for use in obtaining road rights-of-way. Further, ISAC opposes any changes to eminent domain that would mandate added costs or restrictions to counties. ISAC also opposes any action that would require taking an entire parcel of land when only a limited portion is needed for road rights-of-way.

Increased Vehicle Weights

Increases in allowable vehicle weight limitations cause damage to Iowa's roadways and bridges. The increases in axle weight allowances create a condition of extreme danger to Iowa's bridges and the people who cross them. ISAC opposes unreasonable increases in allowable gross vehicle weights and any increase in allowable axle weights. ISAC has supported responsible increases in truck weights and opposes the annual increased weight proclamations by the Governor.

Limitation of Liability for Non-Motorized Traffic Used on Public Highways

Liability issues surrounding individual use of county highways by bicyclists and other non-motorized road users have not been addressed by the Legislature. As expenses for highway maintenance increase faster than revenues, counties cannot afford to meet a level of road maintenance above that which is necessary or practical for motor vehicles. ISAC supports efforts to clarify that counties will incur liability only when a roadway is not maintained to a standard appropriate for motor vehicles.

Off-Highway Vehicles on County Roads

County boards of supervisors may allow the use of all-terrain vehicles (ATVs) and off-highway vehicles (OHVs) on designated hard-surface county roads, while such use is allowed on county gravel roads statewide following legislation passed in 2022. ISAC opposes any further degradation of local control regarding the regulation of ATV and OHV use on secondary roads.

Railroad Intersection Repairs

Maintenance and repair issues related to railroad crossings on secondary roads and over drainage district assets can be problematic because the railroad right-of-way is private property and repairs rely on cooperation from the railroad company. ISAC supports amending Iowa Code §327G to more clearly define the railroad's duties and financial responsibility for intersection maintenance and repairs.

Road Embargo Extension

Counties need additional flexibility in managing roads under their jurisdiction to stretch limited road budgets. Currently, counties can only impose weight restrictions on a county road for 90 days. ISAC supports allowing counties to impose longer embargoes to extend the useful life of those roads.

Road Maintenance Standards

Iowa law protects municipalities from liability for winter road maintenance if the municipality has complied with its winter road maintenance policy. ISAC supports providing a similar level of liability protection for pavement maintenance of roadways. In addition, ISAC supports clearly providing that the same protections exist for counties that provide regulatory devices, signs, pavement markings, and traffic control devices beyond what is required by law. In these cases of non-mandatory devices or pavement markings, ISAC supports protection from liability if the county conducts an engineering study or warrant investigation for such devices or markings that determines that the device or markings should be removed or no longer maintained and that the removal or cessation of maintenance is in accordance with the county's written policy. ISAC opposes any unfunded mandate requiring traffic control devices, such as stop or yield signs, at secondary road intersections where the need is not warranted by The Manual of Uniform Traffic Control Devices. In addition, ISAC seeks to clarify that the definition of municipality in Iowa Code §668.10, that provides for government exemptions from liability, includes counties as well as cities.

Secondary Roads Funding

Iowa's roads and bridges are a vital component of the continued growth of the state's economy, and every road jurisdiction has struggled to adequately maintain its portion of the road system. The increase in the per gallon fuel tax and permit fees for oversize and overweight vehicles will help address this problem, but the cost of building and maintaining roads continues to increase. 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. The use of TIME-21 funds is limited to farm-to-market and bridge construction. Due to the past 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. While the fuel tax and permit fee increases will help fund future road and bridge repair and maintenance, more can be done to provide ongoing, stabilized funding. ISAC supports the following proposed improvements to the funding of the secondary road system:

- 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 Road Use Tax Fund formula;
- remove restrictions on the use of TIME-21 and other new road funds and allow counties to use all new road funds for any secondary road purpose;
- apply the state excise sales tax on dyed fuel sales to bridge and culvert repairs and replacements on the secondary road system; and
- explore the use of surcharges, impact fees, development fees, or licensing fees for large confinement operations, hydraulic fracturing projects, biofuel production facilities, and wind energy conversion farms. Examples include but are not limited to: a per head livestock fee; a per gallon liquid manure fee; a permit fee for large agricultural equipment used on county roads; a minimal per gallon fee for each gallon of biofuel produced; or other use-based fees.