

★ 2023 LEGISLATIVE RECOMMENDATIONS ★

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2023 LEGISLATIVE STATEMENTS



Home Rule

The Iowa State Association of County Supervisors strongly believes in and supports the state of Iowa's County Home Rule Constitutional Amendment, amendment 37, passed by the citizens of Iowa on November 7, 1978, and now found in Chapter 331 of the Iowa Code:

Counties home rule. Article III, Sec. 39A.: Counties or joint county/municipal corporation governments are granted home rule power and authority, not inconsistent with the laws of the general assembly, to determine their local affairs and government, except that they shall not have power to levy any tax unless expressly authorized by the general assembly...

The proposition or rule of law that a county or joint county-municipal corporation government possesses and can exercise only those powers granted in express words is not a part of the law of this state.

Iowa Code 331.301: A county may, except as expressly limited by the Constitution of the State of Iowa, and if not Inconsistent with the laws of the general assembly, exercise any power and perform any function it deems appropriate to protect and preserve the rights, privileges, and property of the county or its residents, and to preserve and improve the peace, safety, health, welfare, comfort, and convenience to its residents.

State Mandates

The Iowa State Association of County Supervisors supports the State Mandates Act contained in Chapter 25B of the Iowa Code. State mandates relating to activities of counties and state programs or services performed by counties should be funded as outlined in this chapter. Unfunded and underfunded mandates place an undue burden on property taxpayers that should be the obligation of state taxpayers or those paying a fee for service. The Iowa Legislature should make every effort to respect the spirit of the State Mandates Act and ensure that any state mandate placed on a county is fully funded.

Funding of Local Services

The Iowa State Association of County Supervisors believes county governments provide high-quality, vital services that the residents of Iowa rely on and desire. Counties utilize a combination of property taxes, local option sales taxes, fees for service, intergovernmental transfers, and other sources of revenue to fund these services. The Iowa Legislature should prioritize modernizing fees for service counties are authorized to collect and consider other means by which local revenue can be generated in order to maintain local services.



2023 LEGISLATIVE OBJECTIVES



1. Emergency Medical Services

PROBLEM: The authority to declare emergency medical services (EMS) an essential county service and seek voter approval for a dedicated ad valorem property tax is a positive step to ensure proper coverage areas and predictable funding. However, EMS coverage areas do not always conform to county geographic lines, and this will lead to inequities in who pays for the available service and a lack of service area coordination. The current funding authority could also be improved to accommodate changing needs as a county or regional EMS system is implemented and administered.

SOLUTION: Amend Iowa Code to allow two or more counties to form an EMS coverage area with the same levy rate for all property owners within the district, while maintaining the same requirements as individual counties for voter approval, advisory council responsibilities, and reporting. Further, the legislature should authorize the EMS governance board to set the annual levy rate, after initial voter approval, at a level sufficient to cover the anticipated costs.



2023 LEGISLATIVE OBJECTIVES



2. Eminent Domain

PROBLEM: Multiple hazardous material, underground pipelines are being proposed for construction in Iowa and the use of eminent domain to secure land rights will continue to be contemplated. Aside from submitting concerns to the Iowa Utilities Board (IUB), landowners and county supervisors have little local control in ensuring property rights. The proposed pipelines are not a public utility, and arguably do not provide a public use or public purpose that would trigger the eminent domain authority.

SOLUTION: Amend Iowa Code Chapter 479B to prohibit the use of eminent domain by a carbon sequestration or other hazardous material pipeline company that is not a public utility and that is not serving a public use and/or purpose.

3. Mental Health and Disability Services

PROBLEM: With the historic change in how mental health and disability services (MH/DS) are funded in SF 619, there remains a need to make sure there are safeguards in place to allow for the continuity of these essential services for all Iowans.

SOLUTION: As we move through the transition to funding MH/DS services to the State of Iowa, ISACS supports the state addressing the following issues either through legislation or administrative rule:

1. With the carry-forward balance restrictions being reduced to 5% after FY 2023 in SF 619, ISACS supports that it be increased to at least 10% to maintain timely payment to providers should the state of Iowa fall behind in their quarterly payments to regions.
2. Governance board membership should be maintained as is or be equal in ratio to the number of supervisor/non-supervisor members to continue to see that there is local accountability in the delivery of these services.

4. Juvenile Detention

PROBLEM: In 1974, the federal Office of Juvenile Justice and Delinquency Prevention OJJDP bill was passed. One section of this bill was dedicated to removing juveniles from adult Jails across the U.S. The State of Iowa pushed the Counties to establish Juvenile Detention Centers for the increased safety of this population. As a part of this push, the State of Iowa offered to share the cost with the counties up to 50%. In addition, Iowa Code 232.142 was established to set the state Reimbursement rules. Iowa Administrative Code 441-167 defines the program in more detail. The fund of money being used to pay this is solely funded by Iowa Department of Transportation fines for the reinstatement of driver's licenses. During the COVID-19 Pandemic, this fund collection was down over \$2,000,000.

SOLUTION: The legislature should appropriate additional funding to bring the partnership in this service to 50% on an annual basis. In FY21, the amount paid by the state only totaled 8.7%. Counties paid 91.3% of the cost of this service. The state amount of 8.7% is a small fraction for a vital service. As a result, this has created an unfunded mandate for all of Iowa's counties. To deal with the immediate shortfall brought on by the pandemic, we strongly encourage the use of American Rescue Plan Act funding be used to address this need.

4. Zoning Commission/Board of Adjustment Membership

PROBLEM: Legislation enacted in 2020 limited membership on county zoning commissions and boards of adjustment to individuals living in the area regulated by the county zoning ordinance. This has led to difficulty in finding replacements and filling vacancies on these important, citizen-driven boards and commissions.

SOLUTION: The legislature should revert to previous law requiring a majority of the members of the zoning commission and board of adjustment reside in the unincorporated area of the county. Absent that reversion, the legislature should allow for the appointment of a member residing within the county but not in the area regulated by the zoning ordinance if the individual owns property regulated by the ordinance or if the board of supervisors has made a good faith effort to appoint a qualified person for a period of three months but has been unable to make a compliant appointment.



2023 LEGISLATIVE POLICY STATEMENTS



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. ISACS supports legislation that would amend the Iowa Code to base bond amount limitations for public building on the amount of the bonds issued rather than on the total cost of the project.

Broadband

As the state of Iowa and the federal government have invested significant funding for the expansion of broadband in Iowa, there is a tremendous need for the strategic development of this funding and that local providers are included in this process to see that they are utilized as well. Therefore, ISACS calls on the state of Iowa to develop a state-wide comprehensive plan to provide these services to maximize these resources and that all affected stakeholders be included in this effort.

County Mandates Related to District Court Security

Security within our district courts has become a very important issue throughout the state of Iowa. Currently, there is no consistency throughout the state as to what security measures should be in place. In addition, the current funding process places the financial burden on any security measures taken on the counties. ISACS supports efforts to enhance security in our district courts. However, we would like to work with the State Judicial System to develop consistent requirements for each district court and a funding solution for the security measures required that does not place 100% of the financial burden on counties.

Emergency Management Funding

County emergency management commissions are comprised of a county supervisor, the mayor of each city, and the county sheriff. Lack of clarity and changing law have caused issues with property tax levy authority and where it ultimately lies. ISACS supports restoring the language "approved by the board of supervisors" in Iowa Code §29C.9(2)(a) as it relates to a county-wide special levy in order to give the board the final say over the county-wide levy.

Forest Reserve Property Tax Exemption

ISACS understands the value of the wildlife habitat, water quality, soil preservation, and outdoor recreation provided by property tax exemption for forest reserve land but recognizes there are abuses and misuses of the program and enrolled land still receives public services such as road maintenance and emergency services. ISACS supports exploring a partial rollback of the exemption or a payment-in-lieu-of-taxes, consideration of moving the minimum acres for qualification from two to five acres, and increased tools for enforcement of program rules.

Land Banks

ISACS supports enabling legislation to authorize the creation of municipal land bank entities. Land banks have proven effective in other states in decreasing the number of blighted and abandoned properties in the region, increasing the access to affordable housing, increasing access to buildings and land to redevelop, increasing tax revenues, and turning community liabilities into assets. Enabling legislation should create a framework to provide the entity with the special powers necessary to have an impact in Iowa, and provide a basis for city and county powers, taxation of properties, and tax sales.

Local Government Reform

ISACS opposes any state mandated reorganization of local government based on our belief that any such effort should be citizen driven.



2023 LEGISLATIVE POLICY STATEMENTS



Natural Resources and Outdoor Recreation Trust Fund

In 2010, Iowa voters supported the concept that if the state of Iowa ever increases its sales tax, the first 3/8s of one cent would be constitutionally protected for funding of the Natural Resources and Outdoor Recreation Trust Fund. ISACS supports this approach. In addition, ISACS encourages the use of any additional sales tax revenue over-and-above the 3/8s of one cent or a separate state appropriation to be used to provide additional watershed management programs for water quality and flood mitigation. Most importantly, ISACS strongly supports the funding of the Natural Resources and Outdoor Recreation Trust Fund itself, which is long overdue.

Ongoing Funding for the Road Use Tax Fund

While ISACS appreciates the increased funding to the Road Use Tax Fund provided by passage of SF 257 during the 2015 legislation session, we recognize that adequate funding to properly maintain our highways, roads, and bridges is a long-term concern. More needs to be done to fund the maintenance and repair of our aging infrastructure. ISACS supports legislation that would include innovative revenue generating ideas, such as surcharges, impact fees, development fees, or licensing fees. Current fees should be modernized, and the fuel tax should apply to dyed fuels with those revenues specifically dedicated to secondary roads and bridges. ISACS also supports an increase in the per gallon federal fuel tax. ISACS encourages the continued exploration of user fees for electric vehicles that do not contribute to road/bridge maintenance and repair through the fuel tax. Finally, ISACS encourages an evaluation of the partnership among federal, state, and county governments as it relates to infrastructure funding and, in particular, the federal swap arrangement.

Open Meetings

During the COVID-19 pandemic governmental bodies were authorized to hold meetings by electronic means, so long as proper notice and access were provided to the public. Many counties became reliant on meeting via electronic means and in fact experienced an increase in public access and participation. ISACS supports amending Iowa Code §21.8(1) by striking "only in circumstances where such a meeting in person is impossible or impractical". This authorizes a governmental body to conduct business by electronic means regularly or on occasion, at its discretion, so long as all other open meetings requirements are met.

Property Tax Reform

ISACS 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. The Legislature should fully fund property tax credits, should consider an 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, should not reduce the funding level or time period for the commercial and industrial property tax replacement claims (backfill) phase-out, and should fully fund the Business Property Tax Credit reimbursements to counties. ISACS supports the following steps that the Iowa Legislature could take that would improve the system and address the tax burden of local property owners:

1. 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 increased property taxes. 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 or fees for services that the county is required to provide should be equal to the cost of providing the services.
2. Legislation should be passed to phase-in a decoupling of agricultural buildings from agricultural land, and to value agricultural buildings at their full market value. The value generated from agricultural buildings is automatically subtracted from the value generated for agricultural land by the productivity formula, so 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.
3. Legislation should decouple 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.



2023 LEGISLATIVE POLICY STATEMENTS



Review of the Master Matrix System

The Master Matrix System related to the approval of confined animal feeding operations (CAFOs) within the state of Iowa has not been updated since 2003. Due to the fact that the Iowa Legislature is the only body authorized to make any modifications to the Master Matrix system, ISACS supports an effort on behalf of the Iowa Legislature to pass legislation that would call for an interim study that would review the current Master Matrix and to evaluate recommendations that may enhance the current system. Specifically, issues such as siting, separation distances, and requiring a minimum amount in each area of the matrix should be considered. Additional issues should also be addressed such as the ownership loophole that allows several buildings to be built close together as long as they are below the permit-ted animal unit thresholds as well providing counties the ability to participate in the allocation of points in the master matrix. Also, all sizes of operations should be studied as well on their impact whether they are permitted or not. Further, ISACS also calls for the livestock industry to continue to work with supervisors on individual siting proposals and to push for dialogue in counties where this is not taking place.

Tax Increment Financing

ISACS supports tax increment financing (TIF) as an economic development tool for counties and cities, but the overall financial impact of divided revenue can be significant. To improve TIF without significantly impacting its use as an economic development tool, all TIF districts should be limited to a certain number of years, and perpetual TIF districts should be phased out. The base year should be re-established anytime there is a renewal. ISACS supports the current division of revenue and would oppose the elimination of certain jurisdictions when dividing revenue.

Wind and Solar Energy Generation Siting

ISACS opposes legislation that circumvents local control over policy or land use decisions or supersedes local zoning ordinances related to the siting of wind or solar energy generation facilities. ISACS supports additional county and public input on energy generation property siting when not covered by a local ordinance.

Wind Turbine Decommissioning

As wind energy production continues to expand in Iowa, counties are now facing issues with the first generation of wind turbines and how the decommissioned components are disposed of as upgrades are made or if companies go out of business. Therefore, ISACS strongly encourages all Iowa counties to develop a decommissioning plan for wind energy companies that build within your county and that it provides protections such as a bond, indemnity, and other means that can address these issues and not fall upon the burden of the county taxpayers. ISACS supports a statewide indemnity fund for wind turbines.