

## **DRAFT - 2024 Legislative Priorities – Member Voting Version**

### **LEGISLATIVE OBJECTIVES (ISAC LPC recommended Top Priorities in bold)**

#### **BUILDINGS ON LEASED LAND TAX SALE**

**PROBLEM:** Delinquent property taxes for buildings on leased land (BLL) are not subject to property tax sale provisions under Iowa Code and must be addressed through the courts. This is a time-consuming process for the county attorney and not a good use of taxpayer dollars. The nature of BLLs has changed and these properties could be dwellings or others with notable delinquent tax liability. Uncollected property taxes and/or added expense of collection shift the property tax burden to other property owners.

**SOLUTION:** Amend Iowa Code Chapter 445 to allow delinquent property taxes for buildings on leased land to be collected at tax sale when the structure is valued at \$5,000 or more.

#### **CERTIFICATES OF TITLE**

**PROBLEM:** Iowa Code Chapter 321 outlines the process for the issuance of certificates of title and the initial registration of certain vehicles. The Code currently requires certificates of title, initial registrations, releases of security interest, and replacement titles to be done in the county of residence or primary use. Emerging technology allows the administration of these activities and the collection of associated fees to be done in any county to provide customer convenience.

**SOLUTION:** Amend Iowa Code Chapter 321 to allow for the issuance of certificates of title, initial registrations, releases of security interest, and issuance of replacement titles to be performed in any county. This amendment should not apply to mobile homes or manufactured homes, or to applications for a title submitted through the electronic process. The fees for these issuances should be increased by \$10 to allow counties to financially adapt to the procedural change.

#### **CONDUCT OF ELECTIONS (Recommended Top Priority by ISAC LPC)**

**PROBLEM:** In the 2020 General Election, a considerable number of voters who requested an absentee ballot by mail showed up to vote on the same day the ballots were to be mailed or in the two to three days following the mailing of the absentee ballot. If the voter insisted on voting in person, the absentee ballot that was mailed had to be voided. This is a waste of resources and caused counties to order additional ballots to account for the waste.

**SOLUTION:** Modify Iowa Code §53.8(1)(a) to read as follows: Upon receipt of an application for an absentee ballot and immediately after the absentee ballots are printed but no more than ~~twenty days before the election~~ five days prior to in-person absentee voting pursuant to section 53.10, subsection 1, the commissioner shall mail an absentee ballot to the applicant within 24 hours, except as otherwise provided in subsection 3.

#### **CONFIDENTIALITY OF INFORMATION**

**PROBLEM:** Iowa law is more stringent than federal law for exchanging information covered by the Health Insurance Portability and Accountability Act (HIPAA). HIPAA allows for the sharing of protected health information (PHI) and electronic PHI (ePHI) for treatment, payment, and healthcare operations. State law requires releases to do much of this which requires clients to fill out additional forms and slows down the referral and treatment process. This affects counties and mental health and disability services regions when working among themselves and with

providers in the General Assistance, Substance Use, and Region offices. Public Health, Home Health, and Veterans Affairs agencies are also affected.

SOLUTION: ISAC supports changes in the appropriate sections of Iowa Code to align state confidentiality laws with federal protections but not more stringent.

#### ELDERLY AND DISABLED TAX CREDITS

PROBLEM: The caps on property tax credits for elderly and disabled property owners have remained fixed at \$1,000 despite valuation growth due to market conditions and inflation leading to property tax increases over time. What may have once covered an individual's entire property tax liability no longer does, and the recipients remain among our population's most vulnerable.

SOLUTION: Amend Iowa Code §425.24 to increase from \$1,000 to \$2,000 the maximum amount of property taxes due or rent constituting property taxes paid that may be considered in calculating the elderly and disabled property tax credit or rent reimbursement. The Legislature should fully fund the credits from the state general fund to prevent a property tax burden shift at the local level.

#### EMERGENCY PREPAREDNESS SUPPLY WEEKEND

PROBLEM: Many Iowa homes, families, and businesses are ill prepared for a disaster and self-preparedness is a key objective for building resilient communities across Iowa.

SOLUTION: To mitigate this issue, ISAC supports the establishment of a "sales tax holiday" in conjunction with National Preparedness Month. This could be used to offset the expenses for purchases of emergency preparedness supplies such as generators, fuel storage containers, bottled water, first aid kits, flashlights/batteries, etc.

#### EMERGENCY MANAGEMENT FUNDING AND GOVERNANCE

PROBLEM: Differing interpretations of Iowa Code have created isolated conflict between county government and emergency management commissions related to funding authority and overall programmatic decision authority. Although these conflicts have not been widespread, they have been chronic, which has led to lawsuits at taxpayer expense.

SOLUTION: To address these disagreements, ISAC supports that our affiliate organizations, the Iowa State Association of County Supervisors and the Iowa Emergency Management Association, partner to find compromise legislation aimed at the following:

- Defining the role of the commission in a manner that promotes transparency and accountability.
- Providing clarity over funding and programmatic decision-making authority.
- Providing funding and financial enhancements that secure program delivery across counties in a manner that promotes fiscal responsibility and accountability.

#### 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 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.

#### **FUNDING OF STATE MANDATES (Recommended Top Priority by ISAC LPC)**

PROBLEM: 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.

SOLUTION: Any service mandated by state legislation or administrative action should be fully funded by the state to cover all costs of the mandate.

#### **IN-SERVICE DISABILITY ALLOWANCE**

PROBLEM: Under the "Back the Blue" legislation signed in 2020, Iowa Code §97B.50A was amended to include under in-service disability retirement allowance, a member who took a settlement and waived their allowance or who is receiving an in-service disability, the employer shall still furnish reasonable medical costs associated with the disability. This could result in costing a significant amount of taxpayer dollars as this is retroactive and former members who took settlements and waived allowances, can now come back, and seek all the medical costs prior to this legislative change and into the future.

SOLUTION: ISAC supports striking Iowa Code 97B.50A(9) Medical Benefits to eliminate this practice from occurring.

#### **IOWA'S NATURAL RESOURCES, OUTDOOR RECREATION, AND WATER QUALITY AND QUANTITY (Recommended Top Priority by ISAC LPC)**

PROBLEM: Iowa's natural resources and outdoor recreation opportunities are significantly under-funded at the state level. The Natural Resources and Outdoor Recreation Trust Fund continues to remain empty since it was established in 2010. Legislators and the Governor have yet to raise the state sales tax – the funding mechanism in the Iowa Constitution. The funding formula in state law (Iowa Code Chapter 461) is favored by counties, but changes to the formula are expected. In the end, any changes to the Iowa Code funding distribution must meet the integrity of the language that was inserted into the Iowa Constitution in 2010.

SOLUTION: Raise the sales tax by a minimum of 3/8-cent and retain the integrity of the formula to meet the promises defined in the Iowa Constitution. Any change to the funding formula should be acceptable to county conservation boards and boards of supervisors. There have been proposals to fund the Trust in the past as part of broader tax plans. Any proposal that funds the Trust, retains the integrity of the funding formula, and is a large, net win for conservation is worthy of consideration.

#### **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 United States. The State of Iowa pushed 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. 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 by over \$2 million.

**SOLUTION:** The Iowa Legislature should appropriate additional funding to bring the partnership in this service to 50% on an annual basis. In FY 2021, 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. Additionally, to address this issue, the Legislature should eliminate the outdated and burdensome process currently used to calculate juvenile detention reimbursement and implement a reimbursement that is based on units of service (bed days) provided by each facility. This would save taxpayer money by cutting the cost of calculating and auditing each center's expense reports and would give every facility a fair cost-share. Finally, the state Office of Juvenile Justice and the Iowa Department of Health and Human Services should be instructed to increase the number of certified beds around the state to better serve areas of critical need.

#### **MANUFACTURED AND MOBILE HOME TITLES**

**PROBLEM:** Under current law, owners of rural property with manufactured and mobile homes under separate ownership do not have the same tools as manufactured/mobile home park owners in cases of abandonment. Determining chain of title and finding previous owners in order to remove, sell, or convert mobile homes can be overly burdensome in these circumstances.

**SOLUTION:** Amend Iowa Code Chapter 555B and Chapter 555C to give landowners with abandoned manufactured and mobile homes on their property the same authority as manufactured and mobile home park owners to remove or transfer title to the subject homes.

#### **MEDICAID FUNDING (Recommended Top Priority by ISAC LPC)**

**PROBLEM:** Providing sufficient state funding to reimburse dental, emergency medical, hospitals, mental health, and nursing homes for Medicaid-covered services especially in rural Iowa continues to be a major issue that has resulted in challenges to fund staff and keep these facilities open for our most vulnerable Iowans. In addition, due to the federal requirement that prisoners lose their Medicaid coverage once they are incarcerated, the financial burden for inmate medical expenses falls to the county taxpayers once an individual is placed in county jail. These medical expenses have significantly grown in recent years especially for those individuals that require medication for treatment of complex mental health needs.

**SOLUTION:** ISAC supports the State of Iowa funding an increase of the reimbursement rate for all Medicaid covered services that at a bare minimum covers the rate of inflation. In addition, the Iowa Department of Health and Human Services is strongly encouraged to apply for a state waiver for Iowa to the federal Department of Human Services that would maintain Medicaid coverage for those housed in county jails.

#### **MOTOR VEHICLE TITLES FOR NONRESIDENTS**

**PROBLEM:** Under current law, nonresidents must use a resident with an Iowa driver's license when registering and titling motor vehicles in the state. Many affected nonresidents own residential property in Iowa where the vehicle stays, but the owners are not Iowa residents. Using a resident with no real connection to the motor vehicle is not good practice and leads to confusion regarding ownership.

SOLUTION: Amend Iowa Code §321.20(1)(f) to allow nonresidents to register and title a motor vehicle in Iowa if they are a property owner in the state and if the vehicle will be primarily located at the property in Iowa.

#### PARCEL SPLITS AND COMBINATIONS

PROBLEM: Under current law there is no requirement for property taxes and assessments to be paid in full prior to splitting or combining parcels. Issues arise when there are unpaid property taxes, unredeemed tax sale certificates, or outstanding drainage or special assessments because the financial liability is tied to a parcel that may no longer exist. It is difficult to administer collection when the nature of the property and the owner changes.

SOLUTION: Amend Iowa Code to require property taxes and assessments to be paid prior to any splitting or combining of parcels.

#### PROPERTY TAX SALE POSTPONEMENT OR CANCELATION

PROBLEM: Under current law, the annual property tax sale for delinquent taxes is set for the third Monday in June and allowed to be moved to a different date in June if for good cause it cannot be held. Previous natural disasters and the COVID-19 pandemic proved that a later date in June is not always possible.

SOLUTION: Amend Iowa Code §446 to allow the county treasurer to postpone the tax sale on a monthly basis or cancel the sale and offer the parcels at the next annual tax sale if taxes remain delinquent.

#### RESOURCE ENHANCEMENT AND PROTECTION (REAP) FUNDING

PROBLEM: The Resource Enhancement and Protection (REAP) Program is consistently underfunded by the Legislature. The Program invests in the enhancement and protection of the state's natural and cultural resources. The Program impacts: conservation education; roadside vegetation; historical resources; public land management; city parks and open spaces; soil and water enhancements; county conservation boards; and state open spaces. The diverse impact of REAP is what makes it such a far-reaching and popular program. All groups in the REAP alliance firmly reject any changes to the REAP distribution formula. REAP is the only state program that provides annual funding to enhance efforts of county conservation boards. The program is scheduled to sunset in 2026.

SOLUTION: ISAC supports full funding of REAP through the Natural Resource and Outdoor Recreation Trust Fund. An increase in Iowa's sales tax automatically fully funds REAP, now and into the future. The fallback solution is to fully fund the Program through gaming receipts as originally intended and to extend the sunset for at least another 10 years (2036).

#### TREATMENT FOR PERSONS IN THE JUSTICE SYSTEM AND CIVIL COMMITMENTS

PROBLEM: Inmates are confined in county jails when their criminal cases are suspended pending a competency evaluation and treatment (if deemed appropriate) per Iowa Code Chapter 812. Those individuals are frequently mentally ill with exacerbation of severe symptomology. The inmate frequently remains untreated with the continuation of symptomatic behaviors including suicidal and homicidal ideation, assaultive behaviors, delusional thinking, etc. Frequently, hospitals are not able to accept placements of individuals with high acuity into their inpatient psychiatric units due to the level of care that they require exceeding the level of care that can be provided in the unit.

Iowa Code Chapter 229, Mental Health Civil Commitment, is outdated and needs to be modernized. This has resulted in a lack of clarity of the role of Judicial Advocates and the need for assistance to ensure Judicial Advocates can perform the duties that are expected of them.

SOLUTION: The Iowa Department of Health and Human Services and other state agencies should work with the Iowa Community Services Association, the Iowa State Sheriffs' and Deputies' Association, and the Iowa State Association of Counties to implement Tertiary Care Hospitals in the state that are geographically dispersed to meet the needs of individuals requiring a higher level of care than is currently available in an inpatient unit in Iowa. Further, ISAC supports the addition of clarifying language in the various areas of Chapter 229 that aid in this process.

#### VETERAN SERVICE OFFICER EDUCATION AND TRAINING FUND

PROBLEM: Counties are required to employ a nationally accredited county veteran service officer (VSO) which requires initial training and testing and continuing education requirements to maintain the accreditation. The annual appropriation to each county commission of veteran affairs for services for veterans may not be sufficient to cover national training needed to maintain accreditation, and the commission may choose other priorities for those funds.

SOLUTION: Increase the annual appropriation to the county commissions of veteran services by \$3,000 per county to be used specifically for national training and related expenses for VSOs and appropriate staff.