

BOARD OF SUPERVISORS

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April 7, 2016

RE: SUPPORT SF 2236- MHDS property tax levy bill

RE: OPPOSE HSB 650- MHDS property tax levy authority bill

Honorable Representatives, Senators, Governor:

The **Scott County Board of Supervisors** strongly **SUPPORTS SF 2236** and even more strongly **OPPOSES HSB 650**. This bill, filed in response to SF 2236, would extend the current funding mechanism for one more year. This is not an acceptable answer for the MHDS Regions. The regions must have a stable, long term funding mechanism in order to move forward with service development and future planning. Regions must have a stable funding mechanism if they are to accomplish the tasks developed by the Legislature in the 2012 Mental Health Redesign bill.

SF 2236 addresses the last piece of unfinished business in Mental Health Redesign passed in 2012. Again, it would provide stable, long-term funding for all regions. As mandated by the state legislature, the counties have formed regions, are implementing core services and attempting to provide core-plus services. This has all been done to the satisfaction of the Department of Human Services (DHS). It is now time to adequately address the final issue – long term, sustainable funding.

In FY17, it is projected that 73 counties will voluntarily reduce their MHDS levy for a total savings of \$22.8 million. The changes proposed in SF 2236 would allow 8 counties that need to be equal partners within their regions to increase their levy, raising an additional \$15.3 million. This would result in a statewide net savings to Iowa taxpayers of \$7.4 million, thereby proving the fiscal responsibility of the counties. There are built-in controls to prevent excessive and unnecessary taxation since DHS is required to approve each region's annual Service and Budget Plan. Code also prevents a region from having more than a 25% fund balance.

In order for the Mental Health Redesign to continue moving forward, we are requesting that the legislature give the regions the ability to generate the necessary revenue. SF 2236 addresses this goal. But HSB 650 (delaying the funding decision another year) will jeopardize many regions and service development. The Eastern Iowa MHDS Region is one of those most at risk. Scott County will be forced to withdraw from the region as it has become a financial burden on the 4

rural counties within the region. This will destroy the momentum of service development the region has done over the past 3 years.

Please feel free to call if you have any questions. Thank you in advance for your time on this issue. We sincerely appreciate all you do!

On behalf of the Scott County Board of Supervisors, we urge you to vote “Yes” on SF 2236 and “No” on HSB 650.

Sincerely,

Jim Hancock, Chair
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