

The Urban County Coalition believes that decisions on local matters are best made by local governments. We understand and respect the role of the state legislature but believe that Iowa’s tradition of “Home Rule” should be respected by the legislature.

Commercial Property Tax Backfill - The state made a commitment to backfill the revenue loss that was a result of the reduction in the commercial and industrial property tax rates. In addition, the changes in the multi residential rates will take effect in FY17 (and is not backfilled) which will have an additional adverse effect on local revenues. We encourage the State to make sure it continues to follow through on its promise to backfill the property tax loss.

Mental Health Funding -We would like the State to fulfill its commitments to assist counties in providing mental health services, or failing that, allow regions the necessary authority to equalize the per capita amounts. The Legislature can do this by retaining the per capita rate cap on the mental health levy but eliminating the frozen dollar cap and allow individual counties and regions to equalize the funding they provide for mental health services. This change would eliminate the disparity in the per capita levies that currently exist between counties and provide the necessary flexibility to provide services. In addition, because this inequity has persisted over the past twenty years, and to correct it immediately would put an undue burden on local property tax payers, we request that the state set aside a pool of funds sufficient to ease the transition for those counties who no longer have reserve funds and must raise their levy.

In addition, we also strongly oppose any transfer of additional responsibilities from the state to regions without the commitment to provide additional resources. Without this commitment, the state would be placing an additional burden on local property taxes.

Restore Funding for De-categorization Program - De-categorization is an initiative designed to redirect child welfare and juvenile justice funding to services that are preventive, family-centered and community-based in order to reduce institutional and out-of-home placements. Every county in Iowa is served by one of the 40 established DCAT Boards. In 2015 the DCAT Boards did not receive the roughly \$5 million annual allocation distributed by the DHS Service Area Managers. This has resulted in a nearly 80% decrease in funding for many DCAT programs. The Urban County Coalition urges the Legislature to restore the legislative allocation to DCAT Boards so that these critical services are not discontinued. We would also encourage the legislature to allow local DCAT boards to make transfers within the categories to better serve local needs.

Water Quality - We support the funding of the Iowa Water and Land Legacy fund established by constitutional amendment. We also oppose any change to the current formula of allocation, encouraging the legislature to find new funding to address the water quality issues that affect Iowa’s waterways. We would also ask the legislature to look closely at local partnerships that have been established and are having an effect. These efforts, including watershed management authorities, should be given the resources they need to make sure the work they are doing can continue.

Additional Issues

Minimum Wage - We believe that the state should address the issue of raising the minimum wage but any legislation that does so should not further intrude on Iowa's home rule principle by including a preemption on local governments ability to address the issue should the legislature fail to act.

Unfunded and Underfunded Mandates - We encourage the Legislature to act to reduce the instances of cost shifting identified and eliminate the burdens these place on property tax payers. The two areas that have the largest impact on local property taxes are colocation of state offices (DHS) and courthouse maintenance and security, but there are many others.

- **Housing State Offices at Local Taxpayer Expense** – Currently some counties are forced to house a variety of state agencies (DHS and the Courts, for example) and receive little or no reimbursement from the State. In addition, counties are forced to pay for expenses such as postage and office supplies at local taxpayer's expense. We request that the State no longer require that counties subsidize the local office expenses of state agencies. We would encourage the legislature to pay particular attention to the document storage requirements of the Department of Human Services,
- **Courthouse Security and expenses**- Like the housing of state agencies, local taxpayers are bearing the entire burden of upgrading, modifying, or even replacing aging courthouses. There is a court expense added to virtually every criminal or civil action but none of this money goes to pay actual courthouse expenses. We would request that the state allocate a portion of these funds to counties for courthouse maintenance and security. This is also an area where the state imposes costs on local governments by not moving the agencies to a paperless document storage program like it has other state agencies.
- **Paper Document Storage – Publishing Costs** – Reduce publishing costs to local governments to publish meeting, and legal notices on-line and require only a summary to be published in local print outlets. Additionally, allow counties to publish in only one newspaper. We would also encourage the legislature to provide a more clear definition of proceedings.

Emergency Management Agency Funding – The current funding formula does not adequately address the needs of the urban counties in Iowa. Eliminate the funding cap on urban counties. We also encourage the State to pass through 80% of the federal funding it receives to counties.

REAP and Trail Funding - We encourage the Legislature and the Governor to fully fund the program at the 20 million dollar level. We believe that these funds should be focused on identifying and addressing the issues of trail connectivity across our state.

County Bonding - We believe that in matters of public finance, counties should be treated in the same manner as cities. We support the provisions of SF 416, which allowed counties flexibility in bonding for certain projects that the cities currently enjoy. We also ask that the limit be raised to a consistent level with cities, currently five million dollars. In addition, the definitions of essential county purpose have not been updated to address new challenges faced by counties. We ask that the following categories be added to essential county purposes, disaster recovery, disaster mitigation, water quality initiatives, and courthouse improvements and upgrades.

County Zoning Equity - We would request that the legislature grant counties the same authority to enforce zoning regulations that cities currently have. Currently counties have no mechanism to force compliance or collect the cost of cleaning up violations and these costs are born by all county taxpayers.