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Item #16
12/11/18

DATE: December 4, 2018
TO: Board of Supervisors
FROM: Mahesh Sharma, County Administrator
RE: Approval of the Urban County Coalition Legislative Priority Issues

Chair Tony Knobbe and Supervisor Carol Earnhardt represent the Board when meeting with the other four counties in the Urban County Coalition. Since the end of last session the group has met to develop next year's list of issues for the 2019 session in Des Moines. There are three broad issues being recommended: Commercial Property Tax Backfill, Mental Health Funding, and Children's Mental Health Programs which we will discuss with the Legislators at the December 7th Legislative Kick-off.

The second page titled "Additional Issues" lists areas that if they are introduced in session our lobbyist would have direction on the Coalition's recommendation regarding those issues.

Each county within the Urban County Coalition is seeking approval of these priorities.



2019 Priorities Agenda

The Urban County Coalition is a coalition of the five largest counties in eastern Iowa. We are committed to preserving local control and decision making authority to give our constituents the greatest control and accountability over their governments. We believe that Thomas Jefferson was correct when he said, “The government closest to the people, serves the people best.”

Commercial Property Tax Backfill - Counties consistently try to find efficiencies in how they spend taxpayer resources. From 2013 to 2016 the county budgets in the UCC have increased about 1.6%, while the state’s budget during the same period has increased by 18%. 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 expect the State to make sure it continues to follow through on its promise to backfill the property tax loss.

Mental Health Funding -We appreciate that the legislature followed through on the recommendation of SF 504 and appointed an interim study committee to address the issues of mental health funding. These issues are simply too important to wait until we have another funding crisis. While regions work through the process of complying with the directives of SF 504 and HF 2456, the legislature should keep its promise and discuss permanent funding solutions. In addition, we still 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.

Children’s mental health programs- Regions understand that it does make sense to have one entity coordinating the spectrum of mental health care for Iowans, but we strongly oppose any additional responsibilities for local governments without providing additional funding. Simply raising the current mental health levy cap puts an unjustifiable burden on local property tax payers. The state must be a reliable partner in funding any additional responsibilities placed on regions.

Additional Issues

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.

EMS Services - We encourage the state to work with counties and municipalities to help find ways to expand emergency medical services and to expand it to essential service designation. Rural Iowans deserve the same access to emergency services that those in more urban areas enjoy. In many areas of our state it simply takes too long to respond to a medical emergency. Additionally, when emergency services are available, those responding often lack the necessary training to provide advanced lifesaving aid. Where you live in Iowa should not determine if your chances to live.

Iowa Public Employees Retirement System: Iowa has *the most solvent and well-funded public retirement systems in the United States. It has maintained that status with conservative investment policies and conservative growth projection.* IPERS is an important and effective recruiting tool to help government agencies attract talented workers. We would encourage the legislature to carefully consider the long-term implications to that viability before any changes are made to the current system.

Water Quality - We support the funding of the Iowa Water and Land Legacy fund established by constitutional amendment. 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. We believe that any additional solution that is considered should include a shared financial burden between both urban and rural partners.

Opioid Epidemic - The UCC recognizes the spread of opioid-related abuse and deaths, including abuse and deaths related to the use of heroin and abuse of prescription drugs, and the effects this abuse has on communities. The UCC encourages the General Assembly to seek additional measures that mitigate and curb the abuse of opioids and other injection-drugs. We appreciate the action the legislature took to enhance the Iowa Prescription Management, a key part of any strategy employed to reduce the use of the abuse of prescription drugs. The UCC thanks the Legislature for beginning to address the opioid crisis during the 2018 session. Though opioid-related deaths in Iowa are down, opioid abuse causes other impacts on Iowa families, including:

- An increase in accessing and using the family courts or DHS services as children are removed from homes where opioid abuse is present;
- An increase in accessing mental health services and trauma-informed care for children in families or homes where opioid abuse has been present;

The UCC continues to encourage the Legislature to adequately fund the drug courts.

Tax Credits: Tax credits play a major role in rebuilding communities. While we understand that these programs should be used judiciously, we believe that the current tax credit programs work (such as Historic Tax Credit, the Endow Iowa Tax Credit, and the renewable energy tax credits). Any policy that proposes to change the way these credits currently work should be carefully balanced against the economic/tourist value if implemented.

Tax Increment Financing: We understand that this is an important tool (and one of the few left) to local governments to encourage economic development. Should changes be considered, we ask that the legislature make counties more active partners in the use of TIFs.

Medicaid reimbursement to County owned facilities: Counties that still have county hospitals are not receiving the state set rate for RCF services. MCO's are paying the lower negotiated rate (80%). The counties in the UCC that are providing these services did not negotiate this rate and in the absence of a negotiated rate the MCO's should be required to pay the state rate. The current system of managed care has failed and the Legislature must address the issue by returning to the previous system or finding other sustainable options.

Restore Full funding for De-categorization: Funding for the Decat Boards is appropriated via 1.) Legislative Allocation 2.) Transfer of Child Welfare funds from the DHS Service Area Manager 3.) Transfer of funds from the Chief Juvenile Court Officer. In FY16 the Decat Boards did not receive the roughly \$5 million Transfer of DHS Child Welfare funds. This resulted in a nearly 80% decrease in funding for some Decat Boards and the elimination of many critical programs that help prevent children and family involvement in the child welfare and juvenile justice systems. The Urban County Coalition urges the Legislature to shift the primary funding for Decategorization away from Child Welfare Transfers to a comparable increase in annual legislative allocation to allow for improved fiscal planning.

REAP - We encourage the Legislature and the Governor to fully fund the program at the \$20 million level.

Trail Funding - 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 allowing counties the same 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.

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.

Early Voting—the UCC requests that the legislature return to an early voting period of 40 days rather the current 29 days.

THE COUNTY AUDITOR'S SIGNATURE CERTIFIES
THAT THIS RESOLUTION HAS BEEN FORMALLY
APPROVED BY THE BOARD OF SUPERVISORS ON

DATE

SCOTT COUNTY AUDITOR

R E S O L U T I O N

SCOTT COUNTY BOARD OF SUPERVISORS

December 13, 2018

APPROVAL OF THE URBAN COUNTY COALITION
LEGISLATIVE PRIORITY ISSUES

BE IT RESOLVED BY the Scott County Board of Supervisors as follows:

Section 1. That the Urban County Coalition 2019 Legislative Issues and Priorities is hereby approved.

Section 2. This resolution shall take effect immediately.