

Iowa General Assembly

2014 Committee Briefings

Legislative Services Agency – Legal Services Division <u>https://www.legis.iowa.gov/committees/committee?ga=85&session=2&groupID=21381</u>

LOCAL GOVERNMENT MANDATES STUDY COMMITTEE

Meeting Dates: November 7, 2014

Purpose. This compilation of briefings on legislative interim committee meetings and other meetings and topics of interest to the Iowa General Assembly, written by the Legal Services Division staff of the nonpartisan Legislative Services Agency, describes committee activities or topics. The briefings were originally distributed in the Iowa Legislative Interim Calendar and Briefing. Official minutes, reports, and other detailed information concerning the committee or topic addressed by a briefing can be obtained from the committee's Internet page listed above, from the Iowa General Assembly's Internet page at https://www.legis.iowa.gov/, or from the agency connected with the meeting or topic described.

LOCAL GOVERNMENT MANDATES STUDY COMMITTEE

November 7, 2014

Co-chairperson: Senator Mary Jo Wilhelm **Co-chairperson:** Representative Bobby Kaufmann

Background. In May 2014, the Chairpersons and Ranking Members of the House and Senate Local Government Committees requested the appointment of an interim committee to determine instances where the state imposes unfunded and underfunded mandates on local governments. The Legislative Council authorized the establishment of the committee on June 25, 2014, for one meeting day. The charge of the committee is to consider testimony and review information concerning state government mandates on local governments that are not funded by the state.

County Fee Structures. Mr. Jamie Cashman, Government Relations Manager, Iowa State Association of Counties, presented information on state fee structure mandates on county governments and provided an overview of sheriffs', driver's license, and food inspection fees. Sheriffs' civil process service fees are charged for personal service of documents, for the execution of certain orders, and for other sheriffs' civil duties. The General Assembly last increased sheriffs' civil process service fees in 2001. In discussing driver's license and food inspection fees, Mr. Cashman opined that the General Assembly should consider raising the three sets of fees, allowing some fees to be set by administrative rule, and the possibility of pegging fee increases to the federal Consumer Price Index. Mr. Cashman also discussed the lack of state funding for sheriffs' transporting individuals to mental health facilities across the state and the lack of state funding for courthouse security.

Mr. Lucas Beenken, Public Policy Specialist, Iowa State Association of Counties, discussed the impact of the new multi residential classification for property tax purposes beginning with the 2015 assessment year. He noted that the Legislative Services Agency forecasted a \$374.1 million loss in property taxes over eight years for all taxing jurisdictions. Mr. Beenken then presented information on projected reductions in future revenue in select counties and recommended that the General Assembly either repeal the multi residential provisions or provide counties with a standing appropriation to ease the financial hardship of implementing the new property tax classification.

Marriage License Fees. Ms. Melissa Bird, Keokuk County Recorder, Ms. Kris Colby, Winnebago County Recorder, and Mr. Chad Airhart, Dallas County Recorder, presented information on underfunded mandates, including fees collected on behalf of the Department of Natural Resources, Department of Revenue, and the Department of Public Health, and provided a detailed examination of marriage application processing duties and associated fees. Ms. Bird noted the historical shift in marriage application processing duties. She stressed that \$31 of the current \$35 fee is allocated to the state and that only \$4 is retained by the county for provision of a certified copy of the marriage certificate. Mr. Airhart then detailed county procedures associated with marriage application processing and county costs for which the counties are not compensated. Mr. Airhart noted that without adequate fees to compensate county recorders for performing these duties, it is county property taxpayers that are currently subsidizing marriage application processing.

Ms. Colby recommended that the General Assembly increase the marriage application processing fee by \$10 and that the increase be dedicated to county recorders to compensate for their incurred costs.

Document Retention and Election Costs. Mr. Ken Kline, Cerro Gordo County Auditor, and Mr. Dennis Parrott, Jasper County Auditor, discussed cost savings achieved by the county auditors as a result of enactment of HF 2366 during the 2014 Legislative Session. Mr. Kline specifically noted savings through provisions that permitted electronic document retention, reduced office hour requirements prior to primary elections, and provided auditors choices in selecting absentee ballot envelopes. Mr. Kline and Mr. Parrott discussed elections administration issues across the state and the cost savings achieved in Cerro Gordo and Jasper Counties, respectively, during the 2014 General Election. Mr. Kline noted concerns with policy proposals for implementation of runoff primary elections in a primary where no candidate receives more than 50 percent of the vote and suggested an alternative "ranked preference" or "instant runoff" as a policy option that would not increase county election costs. Mr. Parrott discussed additional costs that would result from shifting to an "ongoing" or "perpetual" absentee ballot system. He noted concerns regarding voter fraud and increased costs, stating that Jasper County spent \$5,074 in postage to mail requested absentee ballots during the 2014 General Election. Those costs would have risen to approximately \$31,500 if his office was required to mail absentee ballots to all registered voters within the county.

Office Colocation and Courthouse Costs. Mr. John Etheredge, Johnson County Supervisor, Ms. Dee F. Bruemmer, Scott County Administrator, Mr. James W. Bronner, Black Hawk County Finance Director, and Ms. Linda Langston, Linn County Supervisor, discussed costs incurred through or attributable to office colocation and courthouse operation. Mr. Etheredge described the role of the Urban County Coalition (UCC), which represents Black Hawk, Dubuque, Johnson, Linn, and Scott Counties, as advocates for the concerns of large counties. He stated that current mandates require local taxpayers to subsidize operations of state government. Ms. Bruemmer presented information on mandates that require large counties to house and supply regional offices of the lowa Department of Human Services (DHS), and emphasized the need for greater equity within the system by providing compensation to large counties for the costs of providing these government services. Ms. Bruemmer urged the General Assembly to eliminate requirements that counties subsidize the provision of DHS services.

Mr. Bronner presented information on mandates related to the maintenance and use of county courthouses, noting that lowa Code §602.1303 requires that counties provide physical facilities for the district courts, while local taxpayers also pay for the construction and maintenance of these facilities. He noted that local taxpayers in the five counties that are members of the UCC provide over \$3.5 million in annual subsidies for the operation of the state courts through provision of maintenance, security, and personnel. Mr. Bronner noted the lack of state reimbursement for counties providing courthouse security and remarked that 50 percent of Black Hawk County's courthouse office space is occupied by state personnel and that the rate is 80 percent in Johnson County. Mr. Bronner recommended that the General Assembly take action to distribute a portion of court fees to counties for the maintenance of courthouses and for the provision of courthouse security. Ms. Langston then described how large counties are adapting to the new budgetary environment following the 2013 enactment of SF 295 (State and Local Taxation of Property and Income) by utilizing budgeting for outcomes and (lean) processes, but she also noted the difficulties created when DHS and the judicial branch present budget requests outside of the standard county budgeting timetable.

Notice and Publication Requirements. Mr. Alan Kemp, Executive Director, Iowa League of Cities, presented an overview of publication requirement standards in Iowa law and noted specific notice and publication requirements for cities. Mr. Kemp noted that some larger cities would prefer to publish material through different Internet-based media, but stated that publication requirements are particularly burdensome on smaller cities. Mr. Kemp emphasized that Iowa cities strive for openness and transparency in government, but consistently seek flexibility from the General Assembly in achieving these goals in order to reduce the costs of city government.

Mr. Scott Sundstrom, Nymaster Goode, P.C., Legal Counsel representing the Iowa Newspaper Association, accompanied by Mr. Jeff Wagner, President, and Mr. Mike Hodges, Government Relations Co-chairperson, Iowa Newspaper Association, addressed newspaper notice and publication. Mr. Sundstrom stated that newspaper-based publication provides the best option to achieve transparency and accountability in local government. Mr. Sundstrom opined that published newspaper notifications are widely read by the public and that they provide verifiable and objective information to the legal system and to the public. Mr. Sundstrom also noted that publication rates for local governments are inexpensive and cost an average of 15 percent of comparable private advertisements.

Mr. Wagner stated that newspaper proof of publication is a vital service for transparency and accountability in local government for a cost that averages between 0.01 and 0.1 percent of local government budgets. Mr. Hodges stated that the lowa Newspaper Association also provides access to all public notices through the organization's Internet site and noted that many cities lack the information technology staff necessary to publish such materials on their individual Internet sites.

Public Comment. Ms. Susan Cameron, representing the Iowa State Sheriffs and Deputies Association, discussed mandates on county sheriffs detailed in Iowa Code chapter 331. Ms. Cameron stated that the Iowa State Sheriffs and Deputies Association will submit proposals to the General Assembly during the 2015 Legislative Session to address the rising costs that sheriffs confront in fulfilling their civil process service duties.

Committee Discussion and Recommendations. The committee discussed the recommendations put forth by individual presenters over the course of the meeting. Co-chairperson Wilhelm noted that the meeting consisted of several ongoing discussions that she has been a part of in the four years during which she has served as Chairperson of the Senate Local Government Committee. Co-chairperson Wilhelm thanked individuals for their thoughtful presentations and emphasized that it is the responsibility of individual members to continue to educate other legislators about these important issues. Co-chairperson Wilhelm and Co-chairperson Kaufmann asked that committee members submit proposals for committee recommendations by means of electronic mail.

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