



Black Hawk · Dubuque · Johnson · Linn · Scott

## 2026 Legislative Priorities

As of 12/5/25

**The Urban County Coalition (UCC)** is composed of the five largest counties in Eastern Iowa. We are united in our commitment to preserving local control and ensuring decision-making authority remains closest to the residents we serve. We believe, as Thomas Jefferson observed, *“The government closest to the people serves the people best.”*

### Property Taxes

Local governments are committed to providing high-quality services while ensuring the responsible use of tax dollars. We welcome discussions on ways to manage tax revenues efficiently and transparently. These discussions should recognize challenges created by unfunded mandates, user fees that have not kept pace with actual costs, and the limited options available to fund critical local government services. As part of this discussion, it is important to consider that the elimination of the mental health levy was offset by the elimination of the commercial property tax backfill. Finally, we believe any review of property taxes should include all taxing entities, not only local governments.

### Funding Shift to Property Owners for State Services

Unfunded mandates place increasing pressure on local property taxpayers. We urge the Legislature to take meaningful action to reduce cost-shifting to counties, including conducting an interim study updating the report completed a decade ago. Key areas of concern include:

- **Housing State Offices at Local Expense**

Counties are required to provide office space, supplies, and support for state agencies (e.g., Iowa HHS and the courts) with minimal reimbursement. The state should assume these costs and modernize document storage requirements for DHHS and other state agencies.

- **Charging Other Counties for State Agency Services**

When, for example, regional DHHS offices serve multiple counties, only the host county bears the cost of housing the agency. The Legislature should clarify that all benefitted counties share these costs equitably.

- **Courthouse Security and Maintenance**

Counties fund courthouse maintenance, security, and facility upgrades, even though court operations are a state function. We request that the Legislature allocate a portion of state court fees to assist with these costs and accelerate the courts’ transition to digital records. Finally, last session in the Standings bill, the state added a provision that requires counties to pay for



**Black Hawk · Dubuque · Johnson · Linn · Scott**

furniture in court houses. With the desire of all parties to reduce the current burden on local property tax payers, this new responsibility seems to be incongruent with the goal of reducing the burden of property taxes on homeowners.

- **Publishing Requirements**

Allow counties to publish summaries of proceedings and notices in print while posting full documentation online. The Legislature should provide a clear definition of “proceedings” as used in Iowa Code Section 331.504(1) (for example, whether it refers to a verbatim transcript or a summary of the meeting). Additionally, publication in a single local newspaper should be permitted when multiple outlets are no longer viable. Given newspaper consolidation and changes in ownership, the current multiple-publication requirement should be updated. Additionally, major print publications are increasingly reducing the number of print editions they publish each week; however, the legal publication requirements for local governments have remained unchanged. We urge the legislature to update these requirements so that online publication can satisfy notice obligations when print editions are reduced, and to modernize legal publication rules to reflect current communication practices.

Additionally, in HF 718, the legislature required additional notification of taxpayers, as well as additional information. Local taxpayers have found this notice to be confusing, and this is yet another significant expense that is born by local property tax payers.

- **Paper Document Storage**

We encourage the State to invest in document digitization across DHHS and the judicial system to reduce storage costs and improve efficiency.

- **Public Service Fees**

Adjust service fees to reflect the actual cost of service provision. While 2024 legislation raised fees for restaurant inspections and Treasurer’s Office filings, other fees remain subsidized by property taxpayers. For example, the medical examiner’s cremation permit fee should increase from \$75 to at least \$100 to align with actual costs, which can reach \$150.

- **Emergency Medical Services (EMS)**

We appreciate the Legislature’s creation of local EMS funding mechanisms but urge the state to help fund these services as well. EMS is a critical life-saving service and should not remain an unfunded mandate.



**Black Hawk · Dubuque · Johnson · Linn · Scott**

- **Juvenile Detention Costs**

Counties face an increasing demand for juvenile detention beds due to more severe offenses committed by juvenile offenders and longer stays in juvenile detention facilities. The state should expand bed availability at the state training facilities, adjust reimbursement rates, and index rates to inflation.

- **Medicaid Reimbursement**

Counties operating hospitals are not receiving state-set rates for RCF services. MCOs often pay lower negotiated rates (80%), which counties did not negotiate. In the absence of a negotiated rate, MCOs should pay the state rate. The Legislature must address the shortcomings of the current managed care system and pursue sustainable solutions.

### **Place Making Programs**

We commend the Governor's Destination Iowa initiative and its \$100 million investment in place making projects. To build on this success, the Legislature should sustain and expand funding for programs such as Community Attraction and Tourism (CAT), Enhance Iowa, Great Places, and the Downtown Revitalization Fund, recognizing that quality-of-life investments are essential for attracting and retaining workforce.

### **Eminent Domain**

Eminent domain should be reserved for public entities and projects involving governmental or regulated utilities. If private pipelines continue to use eminent domain, the Legislature should ensure fair compensation for affected landowners and fund local emergency responder training and equipment for CO<sub>2</sub> leak risks.

### **Water Quality**

We support full funding of the Iowa Water and Land Legacy (IWILL) fund, established by a constitutional amendment approved by two-thirds of voters. We oppose changing the voter-approved funding formula and encourage support for watershed management authorities and local conservation partnerships.

### **Dangerous Drug Use**

We encourage the Legislature to work with law enforcement and public health agencies to align Iowa's drug paraphernalia laws with best practices for evidence-based harm reduction, including legalizing the use of fentanyl test strips, establishing technical assistance to help counties use opioid settlement funds effectively, and continue funding drug courts, which are proven intervention tools.



**Black Hawk · Dubuque · Johnson · Linn · Scott**

### **Tax Credits**

Tax credits play a major role in rebuilding communities. While we understand that these credits should be used judiciously, we support existing state tax credit programs, including the Historic Preservation, Endow Iowa, and Renewable Energy credits, which spur community revitalization and economic growth. Any proposed changes should carefully consider the economic and tourism benefits of these programs.

### **Tax Increment Financing (TIF)**

TIF is a vital tool and one of the few tools available for local economic development. We ask the Legislature to consider mechanisms to replace revenue lost from TIF districts when they are established in counties, similar to the mechanism used to replace lost revenue for school districts. In addition, we ask the Legislature to revise existing law to make counties more active partners in creating and managing TIF districts.

### **Payment in Lieu of Taxes (PILT)**

We ask the Legislature to clarify and strengthen PILT statutes to ensure payments are distributed equitably among all taxing jurisdictions according to existing levy structures.

### **Resource Enhancement and Protection (REAP)**

We encourage full funding of the REAP program at its authorized \$20 million level to reduce local reliance on property tax-funded conservation bonding and maintain voter-supported conservation initiatives.

### **Emergency Management Agency (EMA) Funding**

The current funding formula does not adequately address the needs of the urban counties. We request that the Legislature eliminate the funding cap on urban counties, directly pass through 80% of federal funding to counties, and ensure that EMA boards cannot dictate budgets and levy rates to boards of supervisors. EMA boards must operate under the same budgetary oversight as other local government entities.

### **Manufactured Housing Communities**

Manufactured and mobile home communities are critical part of the affordable housing infrastructure in Iowa. Many of these communities are now owned by out-of-state companies. While we appreciate recent legislative attention to this issue, we encourage continued legislative action to extend tenant protections consistent with Iowa's landlord-tenant laws.

### **Best-Value Contracting**

Allow local governments to award public improvement contracts based on the best overall value to taxpayers, rather than on the lowest bid. This approach would permit local governments to



**Black Hawk · Dubuque · Johnson · Linn · Scott**

consider factors such as long-term maintenance costs and contractor performance history. It would also allow acceptance of a bid that is within a reasonable percentage of the lowest bid, when the local government can demonstrate that doing so provides a better overall value or is the most cost-effective option for taxpayers.

### **Wage Theft Enforcement**

Currently, only two staff members in Iowa Workforce Development's Division of Labor are responsible for processing wage theft claims statewide. This limited capacity leads to significant delays in investigations and enforcement and leaves workers without timely resolution and increased dependence on county and state general assistance programs for basic needs. Wage theft also results in lost state and federal tax revenues and undermines the economic stability of Iowa families. We ask the Legislature to increase the number of wage claim investigators to ensure enforcement of wage theft laws and eliminate the \$6,500 cap on wage claims to allow full recovery of wages owed to workers.

### **County Bonding**

The UCC appreciates the Legislature increasing the level of bonding for essential county purposes by 30% as well as making this indexed to inflation. We ask that the limit be raised to a consistent level with cities, currently \$5 million. In addition, the definitions of essential county purposes have not been updated to address new challenges faced by counties. We ask that the following category be added to essential county purposes: Courthouse Improvements and Upgrades. In addition, we request the Legislature consider allowing counties to establish a fund to address the rapid deterioration of our rural roads where funds can be earmarked for infrastructure adversely affected by rainfall, flooding, and other weather events. With the increased costs of construction materials and the increase in the amount of precipitation being experienced in recent years, it is not possible to keep up with maintenance of rural gravel roads and small bridges with the current funding systems. Cities currently have the authority to establish a capital improvement fund for projects like these on a pay as you go basis. Counties need to have a similar authority to make sure that when large expenditures are necessary, strategies can be developed to minimize the effect on taxpayers. We also believe that equipment should be added to essential county purposes. Likewise, the General Assembly should consider expanding the essential county purpose listed in Iowa Code Section 331.441(2)(11) beyond geographic computer data base systems to other technology, especially in the post-Covid era when people expect to do more business electronically.

### **Land Redevelopment Trusts and Property Redevelopment**

We encourage the Legislature to enact legislation modeled after HF 665 (2023), introduced by the House Ways and Means Committee, which enables local governments to acquire and



**Black Hawk · Dubuque · Johnson · Linn · Scott**

address dilapidated properties, clear titles, eliminate back taxes, and facilitate rehabilitation or redevelopment. These tools help revitalize neighborhoods and strengthen local tax bases.

#### **Mental Health and Sobering Services**

We appreciate that the state assumed responsibility for the funding and administration of the mental health system but believe sobering services remain underfunded. These services are essential for people with co-occurring mental health and substance abuse conditions because stabilization is required before further treatment can begin. We ask that the state recognize sobering services as a covered component of the mental health delivery system and fully fund their inclusion in statewide behavioral health programs.

#### **Emergency Medical Care Provider Classification under Iowa Code section 85.36(9)(a)**

Amend Iowa Code section 85.36(9)(a) to clarify that the statute applies to a "voluntary" emergency medical provider and not to an emergency medical provider who is not a volunteer. We ask that the legislature amend section 85.36(9)(a) by inserting the word "voluntary" directly in front of "emergency medical provider" to avoid any ambiguity or confusion as this subsection was intended to address volunteer or reserve employees only.

#### **Lobbyist Contact Information**

<b>Larry Murphy</b>	<b>Gary Grant</b>
319-361-2834	319-721-5977
<a href="mailto:larry@llmurphy.com">larry@llmurphy.com</a>	<a href="mailto:Gary@GrantConsultingLLC.com">Gary@GrantConsultingLLC.com</a>