

April 16, 2021

You need to know

- <u>The 110th calendar day of the session is April 30.</u> After that, per diem expenses end.
- American Rescue Plan: Initial guidance from the U.S. Department of Treasury was just released and is available on <u>their website</u>, including steps that cities should take as soon as possible. The League is compiling resources on <u>this page</u>.
- The amount of legislation considered continues to decline as we approach the end. Now is a great time to <u>contact your legislators</u>.





- The backfill was created to provide direct property tax relief and still serves this function today. The removal of the backfill is not connected to a decrease or removal of city expenditures. Therefore, to continue to fund essential services at status quo levels, these dollars will be required to be made up at the local level through property taxes or other local revenues.
- <u>A fiscal note has been released</u>, showing the impact to local governments: \$52.5 million property tax replacement dollars removed from cities, and an impact to local governments that will exceed \$36.2 million by Fiscal Year 2029 for the Elderly Property Tax Credit Expansion.
- The burden of this shift from state dollars to property tax dollars will not be distributed evenly, with residential property taxes bearing 65% of the increase, commercial bearing 29% of the increase, and industrial bearing 4%.
- The Elderly Property Tax Credit that currently exists is solely funded by the state. The expansion included in SF 587 is not funded by the state and will result in reductions in local government revenues.
- Passed out of the Senate and will be eligible for consideration by the House. Your outreach is needed to your <u>lowa Representative</u>. The lowa League of Cities is registered in opposition to this legislation due to the removal of the backfill and unfunded mandates on cities.

HF 849 | Tax Increment Finance (TIF)

- Alters the use of TIF for the purpose of mitigating slum and blight. Requires the increment for any perpetual TIF to be reset in 20 years.
- Caps all future TIF districts at 20 years in duration.
- Eligible to be voted on in the House.
- The League is registered in opposition.

HF 797 | MFPRSI (411) Benefit Increase

- Provides increased benefits for MFPRSI public safety officers.
- Eligible to be voted on by the full Senate.
- The League is registered in opposition.

SF 342 | Public Safety Omnibus

- Requires a public safety officer's accrued sick leave to be paid out upon retirement. Removes state funding for cities that prohibit or discourage the enforcement of state laws. Codifies qualified immunity. Enhances penalties involving assault or harassment of a public safety officer.
- Passed out of the House and will be sent to the Senate for consideration.
- The League is registered undecided.

Legislation to the Governor

HF 309 | Nonprofit Confidential Records

Legislation Signed by the Governor

HF 495 | Street Finance Report Date Change

HF 555 | Propane and Natural Gas Preemption

Communication with your legislators is crucial to impacting policy in the statehouse. Take advantage of the local legislative forums listed below. Additionally, you can contact your legislative directly.

Contact Your Legislator

Legislative Forums

April 17

- Fairfield Legislative Forum-virtual
- Linn County Town Hall-virtual
- <u>Clinton County Legislative Coffee</u>
- <u>Washington Legislative Briefing-virtual</u>
- Harlan Legislative Coffee

April 19

Marti's Weekly Monday Morning Coffee-virtual



Our mailing address is: Iowa League of Cities 500 SW 7th St Ste 101 Des Moines, IA 50309-4506 Unsubscribe | Manage Subscription Preferences