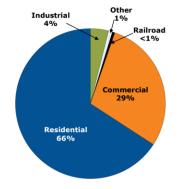


April 23, 2021

#### You need to know

- Session Nearing the End: Per diem expires on April 30, which incentivizes the conclusion of the legislative session. Several key issues impacting cities are still alive: backfill appropriation, tax increment finance and expansion of pension benefits
- American Rescue Plan: Initial guidance from the U.S. Department of Treasury is available on <u>their website</u>, including steps that cities should take as soon as possible, such as setting up a DUNS number. The League is compiling resources on <u>this page</u>. Join League staff, Robert Palmer and Erin Mullenix for a presentation on the American Rescue Plan on April 30 at 11:30 a.m. - 12:30 p.m. <u>Registration is</u> <u>required</u>.
- Legislative Service Awards: Has your legislator been great to work with this year? Do you feel they have been responsive and gone out of their way to represent the interests of your city while serving in the lowa Legislature? Nominate them for the League's <u>Legislative</u> <u>Service Award</u>.

## <u>SF 587</u> | Backfill Phase-Out, Elderly Property Tax Credit, Mental Health Funding



- 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 66% of the increase, commercial bearing 29% of the increase and industrial bearing 4%. (See pie chart above)
- 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.

#### <u>HF 849</u> | 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.

#### HF 304 | Personal Delivery Devices

- Allows for personal delivery devices to be utilized by delivery services such as Amazon and FedEx. Allows cities to prohibit these devices within their jurisdictions for the purposes of public safety.
- Passed out of the Senate and will be sent to the House for consideration.
- The League is registered undecided.

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 24

• Urbandale Legislative Forum

#### April 26

Marti's Weekly Monday Morning Coffee-virtual

#### April 30

Fort Dodge Eggs & Issues Legislative Forum-virtual



The U.S. Department of Treasury released initial guidance <u>on their website</u> on the steps (listed below) that metropolitan cities and non-entitlement units of local government need to do to receive the grants from the American Recovery Plan Act (ARPA). Non-entitlement cities (less than 50,000) will need a DUNS number while Entitlement cities will need a DUNS number and an active SAM Registration.

The U.S. Department of Treasury stated that program guidance for Coronavirus State and Local Fiscal Recovery Fund will be released prior to May 10.

## Non-entitlement (cities less than 50,000)

Eligible Non-entitlement Units of Local Government will receive a distribution of funds from their respective state government. "Nonentitlement units of local government" are defined in 42 U.S.C. 5302(a)(5) that are not metropolitan cities. For these Non-entitlement units of local government, Treasury will allocate and pay funds to state governments, and the state will distribute funds to non-entitlement units of local government in proportion to population. Non-entitlement units must have a valid DUNS number to meet reporting requirements under the program.

# As soon as possible, metropolitan cities should take the steps below.

Ensure the entity has a valid DUNS number	Ensure the entity has an active SAM registration	Gather the entity's payment information
A DUNS number is a unique nine-character number used to identify an organization and is issued by Dun & Bradstreet. The federal government uses the DUNS number to track how federal money is allocated. A DUNS number is required prior to registering with the SAM database. Registering for a DUNS number is free of charge.	SAM is the official government-wide database to register with in order to do business with the U.S. government. All Federal financial assistance recipients must register on <u>SAM.gov</u> and renew their SAM registration annually to maintain an active status to be eligible to receive Federal financial assistance. There is no charge to register or maintain your entity SAM	Entity Identification Number (EIN), name, and contact information Name and title of an authorized representative of the entity Financial institution information (e.g., routing and account number, financial institution name and contact information)
Find your	registration.	
DUNS	Overview of	
Number	SAM	
A DUNS number is a unique nine-character If an entity does not have a valid DUNS number you can start	Registration	

A DUNS number is a unique nine-character If an entity does not have a valid DUNS number you can start the registration process online or call 1-866-705-5711.

If an entity does not have an active SAM registration, please visit, <u>SAM.gov</u> to begin the entity registration or renewal process. Please note that SAM registration can take up to three weeks; delay in registering in

SAM could impact timely payment of funds.



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