

2007 Legislative Agenda of Priorities

Agenda Item I: Tax Increment Financing (TIF)

TIF is still considered the single most important tool available for economic development in rural Iowa. It adds millions of dollars to the future tax base each year, and we would oppose efforts to limit its use. We also believe that local control needs to be maintained. However, a loophole in the legislation allows for a no bid-letting situation. We ask that you protect TIF but close this loophole in the legislation so that competitive bids must be submitted for consideration for all projects. We also ask that you consider amendment of TIF that would allow local government entities to exempt school districts from participation in TIF via a simple exclusion in the required 28-E agreement.

Agenda Item II: Regional Rural Development

We again ask that you support the implementation of entrepreneurial activities in rural Iowa by carefully considering legislative language within economic development funding streams which will ensure flexibility so that they are accessible to grassroots, regional initiatives instead of requiring conformity by them to pre-designed specifications.

Agenda Item III: Value-Added Agriculture Products & Processes Financial Assistance Program (VAAPPFAP)

We requested in 2005 that this valuable economic development tool be re-funded. We additionally requested that serious consideration be given to the expansion of the VAAPPFAP fund and that at least some weighted consideration be given to the location of value-added agricultural entities that were willing to locate away from traditional university research parks into the rural areas of our state.

Because this program has been such a successful and invaluable tool in the development or expansion of value-added agricultural businesses, we are unsettled that it was not funded last year and is relying solely on repayment of loans from the pool for operation. This program should not be totally dependent on the repayment of loans as its only funding stream

Agenda Item III: Value-Added Agriculture Products & Processes Financial Assistance Program (VAAPPFAP), Community Economic Betterment Account (CEBA) and the Iowa Values Fund

Adopted by SWICO in 2004, we have requested since the 2005 legislative session that these programs (VAAPPFAP & CEBA) be viewed independently of the Iowa Values Fund (IVF) revenue stream and that each program be considered as individual line items within the Iowa Department of Economic Development (IDED) budget and that they be funded at the previous 2002 budget level. Both legislators and IDED board members need to realize that internal funding of projects on a case-by-case basis through the IVF limits the necessary, discretionary, spending ability of IDED staff for their use in technical assistance, project creation and job incentive programs so critical to rural growth in Iowa. We additionally requested that serious consideration be given to the expansion of the VAAPPFAP fund and that at least some weighted consideration be given to the location of value-added agricultural research/production entities that were willing to locate away from traditional university research parks into the rural areas of our state.

We are unsettled that these programs were not funded last year and are currently relying on the repayment of loans from the previous budget pools for operation. These programs should not be totally dependent on the repayment of loans as their only funding stream. We ask that funding for CEBA to be restored at a budget amount of four million dollars and that VAAPPFAP be budgeted at an amount of three million dollars and that the money be transferred to the Iowa Department of Economic Development for award determination and oversight.

~~Finally, we ask that the IVF project numbers be based entirely on their own and in a stand alone fashion, so that Enterprise Zone (EZ) and CEBA projects are exempt from internal accounting of measurable project impacts. EZ and CEBA projects should be considered separately for accurate measurement of the IVF.~~

This above has been attended to last this year. The IVF has had a full audit and accounting procedures will now separate job creation and business starts from it and other existing programs.

Agenda Item IV: Highway 71 Improvement Taskforce

The Southwest Iowa Coalition is fully supportive of the efforts of the Highway 71 Improvement Taskforce to improve the road surface of Highway 71 from I-80 to Clarinda. The unimproved portion of the road from US 34 to Clarinda needs to be included in the current IDOT 5-year program. This is a very rough riding section of road that

needs immediate attention as over-the-road (OTR) truck traffic coming from Kansas City and further points are avoiding this main transportation route when ever possible.

Local support with cost shared funding for the project has now been approved by the RPA 13 Policy Board with the City of Clarinda agreeing to fund one-half of that cost and the remainder to be divided up from RPA funds available to Cass, Fremont, and Montgomery Counties. This project is scheduled for 2009 and 2010 due to the RPA funding.

We urge the legislature to take the necessary steps to now fund the TIME 21 proposal as this is vital to economic development for Southwest Iowa as well the State.

Agenda Item V: Renewable Fuels

We applaud and appreciate the leadership role the legislature took in 2006 in the promotion and use of renewable fuels and ask that the established policy be amended slightly to accelerate the time frame under which we reach the 25% blend usage as prescribed in the original legislation. Locally produced fuels benefit local and state economies and boost our economic development efforts with new, high paying jobs and new markets and income opportunities for our farmers. We believe any incentives for renewable fuels should apply only to domestically produced fuels.

Agenda Item VI: Eminent Domain

We believe that the 2006 legislature has gotten itself involved in an unwarranted fashion regarding eminent domain as a result of the Supreme Courts', *Kelo vs. New London* decision. Iowa's eminent domain law has long been considered a model and has been adopted in many states across the U.S. It is important that local city and county governments have the ability to protect the public's safety, social welfare and provide public use areas and infrastructure by exercising their right of eminent domain. Keeping within the spirit of the law, it is also important that when a Government forces an individual to forfeit his property rights that it remains for the public's benefit and not for individual benefit. We do ask that any action taken on the eminent domain legislation continue to provide procedural protection to the owner of land in condemnation proceedings and continue to ensure that aspects of the proceedings be publicized and open. Further, we request that legislative action provide language that ensures, and takes into consideration, city and county-specific issues.

Federal Legislative Priorities

Federal Agenda Item I: Highway 34 Bridge

Funding is needed for the actual construction of the bridge over the Missouri River into Nebraska just west of Glenwood on Highway 34. SWICO delegates have lobbied for more than 11 years to secure the funding necessary. We ask our federal senators and representatives to support legislation that will secure the funding for this project. We also request that funding that has already been set aside for this project be released so that preliminary work on the bridge can begin.

Federal Agenda Item II: Mandatory Price Reporting – pending Wallace Foundation approval for inclusion

In order for independent livestock producers to access accurate market value information for their commodities, mandatory price reporting by meat processors is necessary. Although legislation in this regard is now in place, the system is far from satisfactory in the way that it is functioning. We ask our federal senators and representatives to revisit the legislation and make necessary changes that will ensure that reporting is actually occurring and done so in a timely manner.

Federal Agenda Item III: FSA Fruit and Vegetable Requirements – pending Wallace Fnd. Approval for inclusion

Considerable effort is being made in the southwest Iowa area to encourage the production and consumption of locally produced food products. Typically, producers of these food products are raising various types of fruits and vegetables on small acreage plots. However, significant problems can arise for producers enrolled in the Farm Service Agency programs who wish to establish fruit and vegetable production on their farms. We ask our federal senators and representatives to consider granting waivers for small-scale production of fruit and vegetables on farms enrolled in the FSA program.

Federal Agenda Item III: Farm Bill

The legislative committee will develop language to support the funding for regional development work proposed by Harkin and for which GIF provided field testimony.