



2008 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: 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 the last two years 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 is transferred to the Iowa Department of Economic Development for award determination and oversight.

Agenda Item III: Highway 34 Bridge

The SWICO extends its appreciation to the IDOT for its efforts the past year in expediting the progress of the Highway 34 Missouri River Bridge Project. This project has been officially adapted in the IDOT five-year program with approximately \$64 million being designated through the year 2012. Approximately \$32 million has been earmarked to this project from the Federal government after strong lobbying efforts by the SWICO over the past 15 years.

We request that our State Legislators support the efforts of the IDOT and SWICO to obtain the balance of funding required to complete construction of the project no later than 2013.

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.

Agenda Item V: Eminent Domain

We believe that the 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.

Agenda Item IV: TIME-21

The Southwest Iowa Coalition strongly supports investments in infrastructure that contribute to sustaining and enhancing opportunities for economic development within the State of Iowa. Members recognize that Iowa must address long-term funding that will be dedicated to maintaining its entire road system. SWICO recognizes that our rural areas are struggling to maintain county and rural roads vital to our rural economies.

Because The Southwest Iowa Coalition understands that the TIME 21 proposal would leave the existing Road Use Tax Formula unchanged for existing revenues and would only change the Road Use Tax Formula for new revenues generated its membership did resolve:

The Southwest Iowa Coalition supports the TIME 21 Proposal and appreciates the Legislature's passage of the bill, and requests that the Legislature now fully fund TIME 21 to enhance economic development in the State.

Agenda Item VII: 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 state agency specifications. We live here, we work here and we believe we know best how to use state funding wisely in our own region.

Federal Legislative Priorities

Federal Agenda Item I: FAA Fee Restructuring Proposal

We adamantly oppose the FAA proposal of shifting big airlines tax obligation onto the backs of small and mid-sized businesses that depend on general aviation. These FAA proposals jeopardize both airport modernization and safety while increasing fuel tax as much as 261% for general aviation and requiring unnecessary user fees. We also strongly object to the Senate Commerce Committee suggestion, which also recommends significant general aviation fuel tax, increases and user fees, while giving huge tax breaks to the big airlines. Both the FAA and the Senate Commerce Committee proposals also lack provisions for Congressional oversight of these funds which we find to be egregious and that the federal government should control budgets and spending, not departments and private industry. We would support HR 2881, which was recently passed out of the House Transportation and Infrastructure Committee, and represents a common sense approach to FAA reauthorization that would dramatically increase modernization funding, while retaining the current, simple, easy to use excise tax system.

Agenda Item II: Renewable Fuels

We believe any incentives for renewable fuels should apply only to domestically produced fuels.

Federal Agenda Item III: Highway 34 Bridge

SWICO delegates have lobbied for more than 15 years to secure funding for the Highway 34 Missouri River Bridge Project. We want to thank our Federal Legislators for the approximately \$32 million of funding that has been designated to this project to date and request your continued support in funding this \$100 million project. This project is now officially on the IDOT's 5 year program with construction currently scheduled to be completed by 2013. It is critical to the enhancement of economic development in S.W. Iowa that this project be completed and remains on schedule.

Federal Agenda Item II: Mandatory Price Reporting

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

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 IV: Farm Bill

We are encouraged by the drafts being circulated and conversations with Congressional staffers that the Farm Bill has included valued provisions for improved rural development opportunities. We continue to be users and beneficiaries of such programs as VAPG, RBOG, RBEG, IRP, B&I and other programs administered by USDA-Rural Development. We are also very encouraged about proposed legislation that could create the Rural Collaborative Investment Program (RCIP) to support rural regions working cooperatively to improve their geographic areas and a new micro-enterprise lending and technical assistance program, as well as provisions addressing improved rural telecommunication infrastructure, alternative energy and support of bioscience initiatives.