

2010 Final Draft 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. 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. There will be considerable pressure from various groups regarding a drop in valuation, leaving a shortfall in TIF dollars for existing projects in many areas of the state. While this is a ripple effect from the downturn in the economy we would encourage the legislature to stand firm and avoid a backfill of funding for various affected projects. A change worthy of consideration would be a “claw-back” provision as part of TIF that would allow the district to restructure or re-coup TIF monies from developers or businesses that failed to meet the original provisions of the agreement.

Agenda Item II: Economic Development Set-Aside (EDSA)

A consideration for the legislature and the Iowa Department of Economic Development (IDED) is to re-channel CDBG-EDSA monies away from new business recruitment efforts toward micro-enterprise or entrepreneurial development systems (EDS). During this time of downturn in our economy and our manufacturing sector, fewer companies are looking at relocation or start-ups in the State of Iowa for which these funds have restricted. Now would be an excellent opportunity to change some focus in our business recruitment efforts toward the development of Iowa-grown small business rather than leaving this CDBG money idle. This would only be a short-term opportunity for the use of EDSA funds and not a permanent transfer of EDSA funding. IDED, at its discretion has the authority to change the rules in order to allow these funds to be used in this manner.

Agenda Item III: Highway 34 Bridge

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: Iowa Housing

During 2009, housing policy round-tables were held around the state collecting ideas from all major state and federal agencies, as well as stakeholders. In August, this housing policy consortium provided five areas of consideration to improve and create a new housing direction for Iowa. The areas identified included **governance/leadership, capacity building, funding, planning policy and sustainability**. A summary report is included in your packet and additional information may be had by contacting Mickey Carlson at 515-520-9505 or by e-mail at michaelc@iastate.edu We encourage our legislators and our state agencies to work cooperatively to move these policy recommendations forward for the benefit of housing for all Iowans.

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: Iowa State University Extension (ISUE)

As a way of controlling the budgetary process, Governor Culver suggested that the ISUE budget be a part of the Iowa State University budget as overseen by the Board of Regents. Unforeseen budget restrictions and mid and post fiscal year budget reversions caused not only cuts to the regent schools of Iowa, but also were reflected across the board in cuts to other programming not normally associated with Iowa State or the other universities of Iowa (e.g. "Extension"). The unforeseen ramifications of this action were seen in the dramatic announcement of April 30, 2009 which closed all county and area extension offices. While it is obvious that the extension system and its research and outreach programs needed some significant change, these unintended consequences have irrevocably damaged the capacity of the Extension service to properly carry forward its mission in Iowa. To ensure that a further erosion of this service is not forthcoming we ask the legislature to once again make ISUE a separate line item in the budget so that Extension management can work through the restructuring for a more effective strategy to provide services in rural and urban areas.

Agenda Item VIII: 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. We specifically ask for your consideration of the following:

- A funding stream to support IDED's micro-enterprise demonstration grant. The initial grants due out by mid-September of 2009 are now uncertain due to IDED's current situation regarding re-organization.
- Re-distribution of EDSA funds as prescribed in Item II.
- Consideration of a 3-year funding stream to support regional resource centers throughout the state as being modeled in southwest Iowa through the Rural Development Center program.

Agenda Item IX: Local Food Systems

Last year legislators wished to create a comprehensive task force on local foods (SF 404), but the bill was never debated because of the focus on the budget reductions. The authors of the bill wanted to create a task force similar to what was created in Illinois to explore the possibilities of expanding local foods into institutional, commercial and individual consumer markets. We would encourage the legislature to move this task force forward and to encourage local foods system initiatives' across the state of Iowa. Please see the Illinois report at <http://www.agr.state.il.us/newsrels/taskforcereport-outside.pdf> for further reference.

Federal Legislative Priorities

Agenda Item I: Renewable Fuels

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

Federal Agenda Item II: Highway 34 Bridge

SWICO delegates have lobbied for more than 17 years to secure funding for the Highway 34 Missouri River Bridge Project. We want to thank our Federal Legislators for the approximately \$34 million of funding that has been designated to this project to date and request your continued support in funding this now \$130 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 III: 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 IV: 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 V: 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 such as the collaboration implanting the Rural Development Center in southwest Iowa. We also support and have regional organizations within southwest Iowa that would appreciate the opportunity to access funds for micro-enterprise lending and technical assistance programs. Members support as well provisions addressing improved rural telecommunication infrastructure, alternative energy and bioscience initiatives.