



Marshalltown Area Chamber of Commerce Legislative Priorities 2008

Tax Increment Financing (TIF) – We support the appropriate use of TIF as an irreplaceable local economic development tool.

Destination Attraction Fund (Vision Iowa) – We know that the State dollars invested in this program have leveraged huge private investment to revitalize communities all across Iowa. With that success as proof that the program works, we believe that the State should continue to fund this program and it should also remove the cap. The Vision Iowa Board has the ability to fund up to 50% of a project's total cost. The Board may make a multiyear commitment to a project up to a maximum of only \$4 million in any one fiscal year that funding is available. We believe this cap is limiting the program's impact and therefore should be removed.

Property Tax Reform – We believe that property tax reform is long overdue, so we call on the Legislature to comprehensively reform Iowa's property tax system. The current system that links agricultural productivity and residential values is a major factor that is placing an undue burden on commercial properties. Iowa's commercial property owners (primarily small businesses) are taxed on 100 percent of their assessed value, while residential property owners pay taxes on approximately 44 percent of their assessed value due to the assessment limitation or rollback. Indeed, Iowa ranks as the 49th worst state for commercial property tax equity. We believe that reform of Iowa's property tax system will occur incrementally, and therefore modifying the rollback would be the logical first step. We support freezing the rollback percentage at its current level and then adding one percent per year to get to a permanent floor for the residential property tax rollback at 50% of value.

Workforce – The availability of an adequate well-trained workforce is one of Iowa's most pressing economic development issues. Generally we support initiatives that are aimed at strengthening early childhood resources and education, raising high school education standards and increasing continuing education/job training efforts.

Fair Share – We oppose any initiative such as "fair share or agency fee" legislation. Iowa's Right-to-work law is a key part of our economic development message. We believe that adopting "fair share or agency fee" legislation would in fact alter Iowa's standing as a Right-to-work state.

Employee Choice of Doctor – We are opposed to any changes in the workers compensation system that would allow an employee their choice of doctor, because of the estimated significant increase in costs this would have without any significant improvement in the outcome.





Prevailing Wage – We are opposed to the requirement of a prevailing wage for government contracts, because we believe it will add significant costs to the projects and it will shut out small contractors from bidding on government contracted work.

Time 21 – Continuous investment in Iowa’s public road system is essential to support economic growth. Recent studies project that the need to preserve and build new roads and bridges in Iowa will far exceed available revenues. We support the Time 21 formula that allocates 60 percent of revenues to the state/primary road fund, 20 percent to the counties/secondary road fund and 20 percent to the cities/street construction fund. We support increasing revenues aimed at raising approximately \$200 million annually to more aggressively build the identified commercial/industrial network. The revenue increases may come from raising the gas tax, increasing pickup registration fees and increasing other fees.

Statewide Sales Tax for Schools – A one percent sales tax for schools county by county is currently allowed and has been approved in all 99 counties in Iowa. This tax is specifically used for infrastructure. The proposal to make this tax a statewide tax rather than a county by county decision raises many questions about how it will be used and whether or not it will have any sunset provisions. We are opposed to making this a statewide tax until there is clarification about use and the sunset provision.

