

# 2009 NACO Legislative Platform

## Budget/Taxes/State Aid

### **1. Oppose elimination or reduction of county's share of inheritance taxes**

Counties spend inheritance tax dollars on projects for which no property tax dollars are available, including courthouse renovation, indigent defense, general assistance, and bridges, and depend upon inheritance taxes to create cash reserves for emergencies and special projects. Elimination or reduction of inheritance tax dollars that would result in increased property taxes or a reduction in services are opposed.

### **2. Support an increase in reimbursement for state prisoners**

When the jail reimbursement program began in FY99-00, \$6.8 million was appropriated annually to reimburse counties for holding state prisoners. Since that time, the total amount of reimbursement has been reduced by \$3 million. Although a deficit appropriation was made in 2003 to pay amounts owed from prior years, state statute limits jail reimbursement to an annual appropriation determined by the Legislature but not exceeding \$3.91 million statewide. Because these prisoners are being held by counties for the state, full reimbursement at the statutory rate from the time of arrest until placement at a state facility should be provided to counties.

### **3. Support continued appropriations for County Property Tax Relief**

The County Property Tax Relief Program was enacted in 1998 as a companion to jail reimbursement. In FY98-99, \$5.5 million was appropriated for counties using a formula based upon the miles of roads maintained by counties. Funding was reduced and later eliminated during the state budget crunch in 2003. Funding of \$1.5 million was restored in FY07-08 and distributed under a revised formula that includes a minimum levy adjustment. Counties support continued appropriations for the program.

### **4. Support increased county authority to levy local option sales taxes**

Counties are currently authorized to levy a local option sales tax for limited public safety purposes. If a city also levies a sales tax, counties collect taxes only on those purchases made outside of the city. Expanding county sales tax authority to include sales within municipal boundaries or dividing a city-enacted sales tax could relieve some of the burden on property tax payers.

### **5. Support alternative sources of funding for counties**

Although county operations are funded primarily by property taxes, counties generate limited revenues by serving as the taxing and collecting entity for property taxes, providing motor vehicle services on behalf of the state, accepting filings, serving process, and issuing licenses. Generally the dollar amounts generated by these means are relatively small. NACO supports the use of alternative funding sources, preferably targeted directly toward users of county services, to help offset the cost of related county functions and to provide funding for specific projects and purposes. NACO also supports a periodic review of all legislation setting fees or providing for administrative costs to be collected by counties. All such fees and costs should reflect the actual cost of providing services.

**6. Support periodic reviews of the property tax system**

Because county operations are funded almost entirely through property taxes, a broad tax base and equitable valuations are essential. NACO encourages continuing efforts to revise and improve all aspects of the property tax system, including developing funding for appraisals and balancing the authority of state and local agencies.

**7. Oppose state unfunded mandates**

Tight state and federal budgets have resulted in many responsibilities being passed down to counties. However, necessary funding has not always accompanied the new responsibilities. Counties support state funding of existing and future unfunded state mandates in recognition of the state/local partnership.

**Government Operations**

**8. Support local control of local issues, including cooperative efforts**

Because forced combinations do not necessarily result in efficiencies, counties should receive encouragement and incentives for joint efforts but should not be penalized for failing to consolidate. Any alteration in the form of local government should be undertaken only after a vote of the affected citizens. For example, elimination of the township form of government or changing the number of county board members are decisions that should be made locally. NACO opposes any legislation that would authorize state or federal agencies to determine minimum levels of county employee compensation.

**9. Oppose efforts to increase the financial exposure of counties under the Political Subdivisions Tort Claims Act**

Legislation is introduced regularly that would increase the dollar amounts of county liability for tort claims. Compared to other states, Nebraska law already provides for the recovery of exceptionally generous amounts from local governments. NACO opposes increasing the financial exposure of counties through expansion of the Political Subdivisions Tort Claims Act.

**10. Support regulation of water resources**

State and local water policies need to provide flexibility for continued development of appropriate water resource programs taking into consideration hydrology, existing water rights, potential development, interstate compact obligations and the public interest. Before significant actions are taken, a review of all the relevant scientific and socioeconomic implications of such action should be made and affected counties consulted.

**Roads/Highway Trust**

**11. Support continued or increased county road funding**

In 2008, the Legislature adopted a fuel tax increase and implemented a wholesale fuel tax to generate additional funds for roads. However, federal, state and local fuel tax receipts have

decreased due to a reduction in fuel purchases by consumers. Counties support the allocation of existing resources under the Highway Trust Fund and encourage the examination of alternative road funding sources.

**12. Support retention of full county authority over county roads and rights-of-way including the local determination of best public uses**

Counties own substantial amounts of public rights-of-way. These are valuable local government real estate assets that are held in trust by local governments to benefit the local community. State law should recognize the authority of local governments to protect the public investment, to balance competing demands on this public resource and to require fair and reasonable compensation from utilities, including communications providers, for use of the public rights-of-way on a nondiscriminatory (but not necessarily identical) basis. Because disruption to streets, businesses and agriculture can have a negative impact on public safety and industry, local governments should have control over allocation of the rights-of-way and be able to ensure that there is neither disruption to other “tenants” or transportation nor any diminution of the useful life of the right-of-way. Local governments should have the right to analyze the legal, financial, and technical qualifications of any provider wanting to use the public right-of-way and should have the right to regulate access to rights-of-way.

### **Corrections/Courts**

**13. Support continued or increased state assistance for indigent defense and the Public Advocacy Commission**

The Public Advocacy Commission was created in 1995 to provide relief to property taxpayers by providing state assistance to counties for indigent defense. As originally created, the Commission was intended to defend poor people accused of first-degree murder, but has since been expanded to include low-income civil cases and certain inmate DNA testing. In 2003, court fees were increased to help fund the Commission and create a new violent crime and drug defense division. Fees were raised again in 2006 to help fund civil legal services provided by the Commission. Funding for the Commission should be continued or increased.

**14. Support funding alternatives for inmate health care**

Although Nebraska law authorizes counties and health care providers to seek reimbursement from insurance companies, federal programs and other sources, it is rare for counties to receive any outside payments for inmate medical costs. Some counties purchase specialized insurance to help cover the costs of catastrophic health care needs of inmates. Some states authorize prisoner co-payments for medical care. Regardless of the payor, the due process clause of the Constitution prohibits the denial of health care to prisoners on the grounds of cost. NACO supports efforts to reduce costs to counties for inmate health care and encourages finding alternative means to help fund these costs.

**15. Support the expansion of programs for juveniles offenders and provide a continuum of services**

Home detention, electronic monitoring, day reporting, drug courts, and community service programs cost substantially less than secure detention for juveniles. These options, as well as intervention and prevention efforts, should be expanded and funding should be provided to facilitate alternatives for juvenile offenders. Secure detention should only be used for youth who pose a risk to the community.

**Zoning**

**16. Support local control of all county land use and planning decisions through zoning, including appropriate remonstrance procedures**

Local governments have been granted the authority to control development of land and property within their jurisdictions. Such authority properly assumes that local elected officials are best suited to make decisions affecting land use for their communities. Statutory overrides of local zoning ordinances impose arbitrary standards without regard for local circumstances. All land use, zoning, and annexation decisions should remain at the local level with appropriate remonstrance procedures.

**Health and Human Services**

**17. NACO urges local, state and federal government agencies to be responsible partners in providing adequate and equitable health and human services.**

**Motor Vehicles**

**18. Support efforts to increase legal documentation of motor vehicles**

For more than 15 years, counties and the Department of Motor Vehicles have been examining methods to increase motor vehicle sales tax collections, prevent uninsured and underinsured motorists, decrease the number of unlicensed drivers, and prevent title jumping, as well as other enforcement issues. NACO supports continued efforts in these areas.

**Elections**

**19. Support federal and state reimbursement to counties for the expense of conducting federal and state elections**

Cities, schools and other local entities which place issues on the ballot help pay for the election through a calculation based on the cost of printing the ballots. NACO supports reimbursement from the state or federal government for constitutional amendments placed on the ballot by the Nebraska Legislature or U.S. Congress. NACO supports adequate federal funding to fulfill the requirements of the Help America Vote Act (HAVA).