National Association of Counties

Proposed Platform Changes and Resolutions

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Renewable Energy

NACo supports comprehensive legislation to encourage and enable American Agriculture to provide at least 25 percent of the total energy, including wind and solar, consumed in the United States by 2025 while continuing to produce abundant, safe and affordable food and fiber.

Biomass fuels (ethanol, bio-diesel) are paramount not only to the reduction of pollution in counties throughout the nation, but also serve as revenue generators for many farmers that are struggling with low prices for their crops and increased costs of production. Their use and development should be encouraged and enhanced by the U.S. Congress. Bio-diesel should continue to receive tax incentives for production.

While NACo is supportive of efforts like incentives to increase usage and reliance on renewable energy sources, it opposes mandates that will result in undue fiscal hardship to rural and agricultural users.

In addition, NACo supports the increased use and promotion of wind energy. Wind energy represents a clean and renewable source of electric power and it has great potential and should receive tax credits for production.

Sponsor: Colorado Counties, Inc.

Farm Bill Reauthorization

NACo supports investments in infrastructure, entrepreneurship programs and facilities that process, distribute, and develop value-added products using locally-grown commodities purchased from local farmers to meet the demand for local, healthy food.

NACo supports the definition of biomass from Titles I & III of the 2008 Farm Act, which states that renewable biomass is:

For federal lands: Materials that are byproducts of preventive treatments (e.g., trees, wood) that are removed to reduce hazardous fuels, to reduce or contain disease or insect infestation, or to restore ecosystem health; would not otherwise be used for higher value products; and are harvested from the National Forest System land or public lands in accordance with public laws, land management plans, and requirements for old-growth maintenance.

For non-federal lands: Any organic matter that is available on a renewable or recurring basis from nonfederal land or land belonging to Indian tribes, including renewable plant materials (feed grains, other organic commodities, other plants and trees, algae), waste material (crop residue, other vegetative waste material including wood waste and wood residue), animal waste and byproducts (fats, oils, greases, and manure), construction waste, and food waste/yard waste.

Sponsor: Association of Oregon Counties

PROPOSED RESOLUTIONS

Proposed Resolution Supporting the Healthy Food Financing Initiative

Issue: Access to healthy foods

Proposed Policy: NACo supports the Healthy Food Financing Initiative (HFFI) and urges Congress and the Administration to authorize and provide adequate resources to implement the initiative in partnership with counties and local jurisdictions provided that no funding of the HFFI shall come at the expense of any existing NACo Agriculture and Rural Development funding priorities.

Background: Roughly 23 million Americans in underserved and low-income communities lack healthy food options and instead frequent fast food and convenience stores selling high-fat and high-sugar processed foods. Underserved and low-income communities lack economic development opportunities and benefits associated with local grocery stores, including the creation of quality jobs and complimentary retail stores and services. Americans in underserved and low-income communities have significantly higher rates of obesity, increasing the chances that they will develop serious health problems including Type 2 diabetes, heart disease or other chronic health issues. Childhood obesity is a major crisis in many of these communities, affecting over 30 percent of children ages 10-17.

President Obama launched the Healthy Food Financing Initiative (HFFI) in February 2010 in order to tackle this healthy food access challenge. HFFI would attract investment in underserved communities by providing critical loan and grant financing. These one-time resources would help fresh food retailers overcome the higher initial barriers to entry into underserved, low-income rural, suburban and urban areas. It would also support renovation and expansion of existing stores so they can provide the healthy foods that communities want and need.

The Administration’s efforts to fund and implement HFFI have been slowed and curtailed due to lack of congressional appropriations and authorizing language. Bipartisan coalitions in the House and Senate have introduced Healthy Food Financing Initiative bills designed to overcome these hurdles. Bills were introduced with bipartisan support by Sen. Kirsten Gillibrand (D-NY) and Rep. Allyson Schwartz (D-PA) and HFFI provisions have been included in both the House and Senate versions of the Farm Bill.

Based off a highly successful model in Pennsylvania, the HFFI would authorize the U.S. Department of Agriculture to administer a mix of federal loans and grants to provide one-time start-up assistance for supermarkets, corner stores, co-ops, and farmers' markets in underserved low-income areas. If passed, the initiative is projected to create or preserve 44,500 long-term jobs and 50,000 construction jobs - all while helping millions of Americans eat healthier.

HFFI is a viable, effective, and economically sustainable solution to the problem of limited access to healthy foods, and can reduce health disparities, improve the health of families and children, create jobs and stimulate local economic development in low-income and underserved communities.

Fiscal/Urban/Rural Impacts: The proposed initiative supports growth and job creation in underserved rural, suburban and urban counties.

Sponsor: Patrick Duterte, Director, Health and Social Services, Solano County, CA

Proposed Resolution Supporting Technical Assistance for Local Foods Producers

Issue: Food Safety and Local Foods

Proposed Policy: NACo supports local food producers that sell directly to consumers and calls on the U.S. Department of Agriculture (USDA) and the Food and Drug Administration (FDA) to provide increased outreach and technical assistance to these producers to ensure that they are implementing best practices in food safety.

Background: Local producers selling farm products directly to consumers is a growing market that is critical to our rural economy. One major challenge facing these producers and state and local food safety officials is ensuring they have access to technical assistance and research on best practices in food safety. NACo urges USDA and FDA to expand their outreach and technical assistance offerings to local producers engaged in selling directly to consumers and state and local officials.

Fiscal/Urban/Rural Impact: None expected.

Sponsor: Keith Langenhahn, Field Representative, Wisconsin Counties Association

Proposed Resolution Supporting Local Food Systems in the Farm Bill

Issue: Supporting local food systems

Proposed Policy: NACo supports county development and expansion of local food systems by incorporating into the Farm Bill preference for locally grown and produced foods.

Background: Access to affordable, healthy food is a prerequisite for a healthy life. The state of public health nationally and locally is heavily influenced by food and agriculture policy at the federal, state and local levels. From the rates of chronic disease to the rise of childhood obesity and weight gain, the increasing healthcare and societal costs of diet-related health issues are well documented.

The next Farm Bill should be a comprehensive multi-year food, farm and jobs bill that impacts the safety net for producers in times of need, promotes the bio-based economy, conserves natural resources, strengthens rural communities, promotes job growth in rural America and provides much needed food assistance to low-income families.

In addition to the impact nationally, the policies, programs, and funding included in the next Farm Bill will affect how successful counties can be in achieving the goal of improving local food systems to support the health of people, the environment, and the economy. According to Agriculture Secretary Tom Vilsack, "local food production is one of the fastest growing segments of agriculture…making connections so that a farmer can sell at a local school or hospital, or even a neighbor down the road, creates good-paying jobs in our rural communities and keeps the wealth created from the ground close to home."

Local government has an important role to play in creating a healthy food system, but federal policies and actions significantly impact the ability of counties to fully realize these goals. In particular, counties would benefit from the following changes to the next Farm Bill:

Support the incorporation of locally grown products into the U.S. Department of Agriculture's (USDA) food (formerly known as commodities) programs for school meals. Establishing an avenue for schools to use federal commodities funds to purchase and/or process locally grown food products would support small and mid-scale farmers who participate in these programs and strengthen local economies. It is further recommended that schools be allowed to give preference to food from a particular geographic region when purchasing for school lunch meals in order to support local farmers and food producers.

Support the infrastructure necessary for local and regional food systems to thrive. Infrastructure such as on-farm processing equipment and aggregation, distribution, and processing facilities would strengthen regional food hubs, Farm to School, value-added production, and other rural development programs. USDA could be directed to promote multi-use public facilities through existing programs. Support would also include training and technical assistance for farmers, food service directors, and other key players in local and regional food systems.

Fiscal/Urban/Rural Impact: The cost of these reforms is negligible to the federal government. At the local level, these reforms could produce significant cost savings, provide stimulus for local agriculture production, and provide increased access to healthy foods for school children throughout the nation.

Sponsor: Supervisor Shirlee Zane, Sonoma County, CA

COMMUNITY AND ECONOMIC DEVELOPMENT

PROPOSED PLATFORM CHANGES

County Role in Economic Development

County officials should exercise strong leadership in creating a supportive environment for business investment by promoting diversified economies, creating, rehabilitating and maintaining support infrastructure, providing quality education and training and involving the non-profit and private sectors. Economic development efforts benefit counties through the retention and creation of jobs, the broadening of county tax bases, and improvement of the overall quality of life. States should develop policies supporting new business development, business retention, and expansion. They should implement coordinated processes that involve county governments in providing infrastructure and financial incentives promoting both business retention and initial business relocation decisions that promote positive county competition in attracting firms.

5. Infrastructure and Public Works: Counties must provide and support sufficient infrastructure and support services to generate increased economic activity. To sustain and increase economic activity in counties, federal, state, and city governments must assist in the rehabilitation and expansion of physical infrastructure and support services, including multimodal transportation, ~~utility~~ power utilities, broadband, water treatment and waste management systems, and other essential services. Changes in federal regulations have significantly affected the cost of providing infrastructure capacity. Counties must work to ensure balanced regulations that protect the environment, but do not unreasonably increase costs. NACo strongly supports:

- a national commitment, shared by all levels of government and the private sector, to increase capital spending;
- more flexible administration of federal and state mandates to allow cost-effective methods of compliance;
- accelerated spending of the federal highway, transit, aviation, and waterways trust funds;

- prioritization of rehabilitation and improvement of aging infrastructure that has a disproportionate effect on business retention and attraction in older regions and communities;
- removal of unwarranted limits on the ability of state and local governments to help themselves through tax-exempt financing and incentives, such as empowerment zones; and
- a rational capital budgeting process at all levels of government; and funding the Resource Conservation and Development Program (RC and D) within the Agriculture Appropriations bill at $54 million.

Sponsors: Councilmember Helen L. Holton, Baltimore City, MD; Commissioner Christian Leinbach, Berks County, PA; Commissioner Toni Pappas, Hillsborough County, NH; Douglas E. Hill, Executive Director, County Commissioners Assoc. of PA; Lisa Schaefer, Government Relations Manager, County Commissioners Assoc. of PA

County Role in Economic Development

New Policy Section:
New and Small Business Development: Counties should work with entrepreneurs and small businesses to foster innovation and take advantage of new and untapped business opportunities in their local communities. This support would include hosting and participating in local conferences, working with other entities to provide access to business planning resources, mentors and adviser networks, and financing opportunities. NACo encourages state and federal governments to provide incentives that support entrepreneurs and small business growth.

Counties should work to bolster the development of entrepreneurial and business talent within their communities and emphasize the expansion and retention of local businesses.

Sponsor: Colorado Counties, Inc.

Federal Role in Economic Development

Add:
NACo supports sound policies that enhance access to capital and reduce redundant regulations to allow middle market companies to thrive and support economic recovery across the U.S.

Sponsor: Commissioner Welton Cadwell, Lake County, FL

PROPOSED RESOLUTIONS

Proposed Resolution on International Economic Development and Offshore Manufacturing

Issue: Economic Development is a key issue for many counties across the nation and with high unemployment still in existence, jobs are a priority. However, too many companies are moving from one state to another without a net increase to the overall U.S. economy.

Proposed Policy: NACo would like the federal government to encourage businesses to move manufacturing back to the states from offshore. This can be done through a variety of incentives. NACo is open to working with the federal and county governments to find the right way to incentivize this initiative.

Background: Over the past five years during the economic downturn counties across the country have experienced high unemployment, a lack of job growth and companies looking to relocate for deals across state lines. As individual states offer incentives and compete with each other we risk not actually growing the overall U.S. economy. As we measure our debt and revenue according to the Gross Domestic Product (GDP), it is imperative to find ways to increase the overall GDP of the country.

We would like to examine the current direction of manufacturing and evaluate how we can help our states and counties by bringing offshore manufacturing back to the US. Companies are looking for ways to relocate to the states in light of the challenges of the last few years. The middle class in China is growing, becoming more demanding and causing prices to rise. Product quality coming out of China is declining and confidence in product safety is waning. The time may be right for a change that could bolster U.S. manufacturing in both price and quality.

NACo asks the President and Congress to help find a way to incentivize business to make this move easier and more affordable. While this request is coming from NACo, this is a request to be a part of the discussion and have a seat at the table on the details about how to accomplish it and not a request for one particular type of incentive. The counties are not willing to give incentives that would take away county revenue. This solution should be comprehensive, evaluating all areas that caused manufacturing to leave the states over the past decades.

NACo has several committees that could be a part of the discussion for both rural and urban areas. In working together we can find a solution that would provide enough incentives to relocate, but not hinder our economy. NACo's International Economic Development Task Force, along with the Rural Action Caucus and the Large Urban County Caucus, are available to assist this discussion. NACo's Community and Economic Development Steering Committee would also be available to provide assistance and direction.

Fiscal/Rural/Urban Impact: To determine the impact, NACo is requesting to be engaged in the conversation. By not doing anything we continue down the same path of swapping businesses from one state to another and relying solely on the entrepreneurship and expansions.

Sponsor: Commissioner Lee Bonner, Douglas County, NV

Proposed Resolution Supporting Reauthorization and Appropriations for the U.S. Department of Commerce's Economic Development Administration

Issue: Appropriations and reauthorization legislation for the U.S. Department of Commerce's Economic Development Administration (EDA).

Proposed Policy: NACo urges Congress to support reauthorization and appropriations for the Department of Commerce's EDA to keep communities strong and economically viable at a time when our nation needs it the most.

Background: The EDA provides direct resources to counties to support economic development efforts through planning grants to regional Economic Development Districts to support comprehensive economic development strategy planning and implementation as well as financing for Public Works and Technical Assistance projects. It is focused solely on private sector job creation.

With its modest budget, EDA has developed an impressive track record of making strategic investments and building partnerships that help regions and communities respond to shifts in international markets, address severe unemployment challenges and recover from plant closures, major natural disasters, and other chronic, sudden and severe economic hardships.

Despite its solid performance and traditional bipartisan support, EDA's regular budget has declined by nearly 36 percent since FY2001. NACo supports at least maintaining EDA's FY2012 funding level of $257 million and the FY2012 level for the public works program in FY2014.

EDA is funded at $224 million by Continuing Resolution through September 30, 2013, with sequestration. President Obama's FY2014 budget would increase EDA funding to $320 million, which is a 45 percent increase from FY2013. However, the President recommends cutting the public works program by 49 percent ($38.5 million) from FY2013.

At a time when the nation must make the regional and local investments necessary to compete in the modern global economy, the flexibility, partnership structure and accountability of EDA's programs should be at the forefront of the federal toolbox. EDA's portfolio of economic development infrastructure, business development finance, regional innovation strategies and public-private partnerships are tailored to support the unique needs of each region.

- EDA is unique among federal development programs. While other federal programs support broader community development activities, EDA is the only federal agency focused solely on economic development and job creation/retention. EDA investments do not go to private companies. Instead, EDA invests in local governments, nonprofits and communities.
- By federal law, EDA projects typically require a local cost share and significant private sector investment, ensuring that local leaders and businesses are committed to the project's success. EDA investments are focused on high quality jobs, especially in advanced manufacturing, science and technology, and emerging knowledge-based industries and sectors.
- By federal law, EDA project investments must be tied into a regional Comprehensive Economic Development Strategy developed and vetted by local officials and their communities—this helps ensure projects have significant local support and are part of a broader regional plan, rather than just isolated, uncoordinated local projects.
- EDA's grants are awarded on a competitive basis by the agency's six regional offices. EDA and its local partners focus on the fundamental building blocks for economic development. EDA's infrastructure investments are targeted at essential facilities and assets like water and wastewater systems, middle mile broadband networks, workforce training centers, business incubators, intermodal facilities and science and research parks. These assets are often lacking in the nation's most distressed areas, yet they are a prerequisite for private industry to remain or locate in these areas. As we have witnessed in recent years, private companies will relocate to places with these basic yet vital public infrastructure assets, including outside of the United States.
- Two major independent studies conducted within the past ten years have concluded that EDA projects have a significant impact on employment levels in communities where EDA investments are made. The most recent analysis released by Grant Thornton and ASR Analytics in September 2008 found that EDA's public works program generates "between 2.2 and 5.0 jobs per $10,000 in incremental EDA funding, at a cost per job of between $2,001 and $4,611." These results mirror an exhaustive study of EDA's public works and economic adjustment assistance programs by Rutgers University and a consortium of researchers in 1998. EDA's job creation and private sector leveraging ratios are highly cost effective and rank at the very top of any public economic development agency.

EDA is a highly effective agency that serves as an invaluable partner for public and private sector leaders who are working diligently each and every day to enhance their regions' economic vitality and competitiveness in today's rapidly expanding global marketplace. The keys to EDA's repeated successes remain its flexible program tools, its long-standing partnerships with regional and local economic development organizations, and its focus on investing in locally- and regionally-driven strategies and infrastructure projects that are tied to leveraging private sector job creation and retention activities.

Fiscal Urban/Rural Impact: EDA's programs provide critical funding for economic and community development strategies, initiatives, infrastructure, and key projects important for creating and retaining jobs.

Sponsors: Commissioner Tony Hyde, Columbia County, OR and Ann Hanus, Policy Manager, Association of Oregon Counties

Proposed Resolution on FY2014 Appropriations for the U.S. Department of Housing and Urban Development

Issue: Support FY 2014 Appropriations for the U.S. Department of Housing and Urban Development (HUD).

Proposed Policy: NACo urges Congress to support the following levels of funding for core Department of Housing and Urban Development in the FY2014 appropriations bills: no less than $3.3 billion in Community Development Block Grant (CDBG) formula funding; no less than $1.6 billion in formula funding for the HOME Investment Partnerships Program (HOME); $1.9 billion for Homeless Housing Assistance grants, including an amount to fully fund expiring supportive housing and Shelter Plus Care rent subsidy contracts; full funding for existing Section 8 project-based and tenant-based contracts; funding for homebuyer education; and $275 million in Section 108 Loan Guarantee authority.

In addition, NACo does not support the imposition of a funding threshold to receive CDBG formula funds directly or elimination of "grandfathering" provisions which allow cities and counties to maintain their entitlement status. NACo also does not support diverting CDBG formula funds to other categorical grant programs.

Background: The CDBG and HOME programs have been model federal block grant programs for expanding affordable housing opportunities and undertaking neighborhood revitalization.

It is important for the federal government to restore funding levels for community development, affordable housing and economic development in FY 2014. Local governments have used CDBG funds for thousands of activities such as expanding homeownership opportunities; eliminating slum and blight; infrastructure improvements such as roads, water and sewer systems; services at libraries, community centers, adult day care and child and after school care facilities; homeless housing assistance; employment training; transportation services; crime awareness; and business and job creation. HOME has an impressive track record too, in expanding the supply of ownership and rental housing. In 2011 HOME reached the completion of one million affordable housing units.

According to the Center on Budget and Policy Priorities, Congress has already enacted 70 percent of the discretionary spending cuts called for under the Bowles-Simpson Deficit Reduction Commission since FY2010.

The House and Senate Appropriations Committees passed their respective FY2014 T-HUD Appropriations bills in June. The House included $1.6 billion for CDBG and $700 million for the HOME program. The Senate included $3.15 billion for CDBG and $1 billion for the HOME program. The House bill provides $17 billion to renew Section 8 tenant-based Housing Choice Vouchers and $75 million for 10,000 vouchers under the VASH program for homeless veterans. The Senate bill provides $17.6 billion Section 8 voucher renewals and $75 million for 10,000 VASH vouchers. Section 8 project-based vouchers are funded at $9.85 billion in the House bill and $10.7 billion in the Senate bill. Homeless housing assistance funding increased in both bills, with the House allocating $2.08 billion and the Senate including $2.26 billion. The Senate bill also includes $75 million for sustainable community planning grants and $225 million for Choice Neighborhoods. The House bill actually rescinds previous funding for both programs. The House bill will be considered by the full House after the July 4th recess.

The President's FY2014 budget proposes reducing CDBG formula funding from the FY2013 level of $3.07 billion to $2.8 billion. It further proposes use $200 million of the reduction to fund a new competitive Neighborhood Stabilization Program (NSP) from the reduction in formula funds. It also proposes to take $75 million in formula funds for Integrated Planning and Investment Grants, formerly known as Sustainable Communities Grants. Both the NSP and Sustainable Communities programs are good programs and many counties received funding under them. They deserve to be funded separately in FY 2014.

The FY2014 budget proposes that HOME be funded at $950 million, the same level as FY 2013 after the five percent cut due to sequestration. The budget also proposes $2.38 billion for homeless housing programs including $2.03 billion for Continuum of Care program, $346 million for Emergency Solutions Grants (ESG) of which $60 million will be set-aside for rapid rehousing projects in "high need" communities as determined by HUD. Finally the budget calls for full funding of the Section 8 project-based and tenant-based rent subsidy contract renewals.

It also proposes to amend the Community Development Block Grant statute to include a funding threshold of approximately $350,000 for communities to receive formula funding directly from HUD and it would eliminate the "grandfathering" of metropolitan cities and urban counties who fall below the population level at which they initially qualified. HUD has indicated that approximately 340 cities would lose direct funding under the threshold. It is believed that one or more counties would be eliminated from entitlement status if the grandfathering provisions were eliminated from the statute.

Fiscal/Urban/Rural Impact: Funding of HUD's core programs is crucial to state and local governments that provide services to communities at the grassroots level.

Sponsor: Commissioner Welton Cadwell, Lake County, FL

Proposed Resolution Supporting the Section 8 Housing Choice Voucher Program

Issue: Support changes to the Section 8 Housing Choice Voucher Program

Policy: NACo supports full funding for, and changes to, the Section 8 Housing Choice Voucher program.

Background: NACo recommends the following:

- Congress and stakeholders need to know accurately what it will cost to fully fund the program on an annual basis. Annual renewals should be based on the weighted average cost for the most recent 12 month period, adjusted by an inflation factor for the area and multiplied by the agencies' base allocation of units. The program should also provide for a reallocation of unused funds among administering agencies;
- Full funding of all authorized vouchers at a level that provides affordability (the difference between the cost of decent housing in the market and an affordable percentage of household income to all households currently authorized);
- Program administrators need a system of reserves in order to deal with unforeseeable changes in market conditions, family incomes, appropriations, administration and additional authorized vouchers;

- Modify the targeting requirements to allow up to sixty percent of the vouchers to be utilized by households at or below 30 percent of area median income, and up to forty percent to 50 percent of median income;
- Provide more flexibility in initial and annual inspections of units to be occupied by voucher holders. Accept inspections from other agencies and reduce the frequency of annual inspections for projects with good track records;
- Increase the number of vouchers that can be project-based from 20 percent to 25 percent, with a waiver to use an additional five percent for projects meeting the needs of the homeless;
- Current policy on Enhanced Vouchers should be maintained. They are essential for reconciling the reality of an owner's right to terminate affordability with the prevention of displacement;
- Remove regulatory disincentives to forming consortia to administer voucher programs. In addition, NACo does not support block-granting of the Section 8 Program because it will result in a reduction of funding solely on the basis of providing more flexibility; and
- Ask the Department of Housing and Urban Development (HUD) to do an analysis of the goals and objectives of the Housing Choice Voucher Program and other HUD programs, particularly with regard to concentrations of poverty.

The Housing Choice Voucher program has been the centerpiece of the nation's housing policy for more than 30 years. The program helps the elderly, disabled, and low-income working families achieve affordable housing in the private market in an area of their choosing. Under the program, voucher holders generally pay 30 percent of their adjusted income for rent. The voucher pays the difference up to a payment standard, which is anywhere between 90 and 110 percent of the HUD-determined Fair Market Rent (FMR). HUD sets the FMR annually in each metropolitan area and non-metropolitan county for units by number of bedrooms. Administering agencies receive an annual allocation of Section 8 funding based on voucher leasing and costs in the prior fiscal year.

Renewals of Section 8 tenant-based and project-based rent subsidy contracts now constitute approximately 84 percent of HUD’s annual budget. It is essential that Congress make changes to the program to improve efficiency and save costs.

The House Subcommittee on Insurance, Housing and Community Opportunity has approved the “Affordable Housing and Self Sufficiency Act of 2012” (AHSSIA). AHISSA would enable state and local agencies to stretch limited funds to help more needy families, ease administrative burden on agencies and private owners, support work and generate substantial savings. The House Financial Services Committee is expected to consider this legislation sometime this year.

Fiscal/Urban/Rural Impact: Enacting reforms to the Section 8 program would have a positive impact on other HUD housing and community development programs, such as CDBG and HOME program funds, which counties depend on to improve the living conditions and neighborhoods of their citizens.

Sponsor: Commissioner Welton Cadwell, Lake County, FL

Proposed Resolution Supporting the Responsible Homeowner Refinancing Act

Issue: Supporting the Responsible Homeowner Refinancing Act of 2013

Policy: NACo urges Congress pass the Responsible Homeowner Refinancing Act.

Background: There are 17.5 million loans guaranteed by Fannie Mae and Freddie Mac paying interest above five percent that could benefit from a refinance. Although recent changes to the Home Affordable

Refinance Program (HARP) were a step in the right direction, they leave in place barriers that will keep millions of borrowers trapped in higher interest loans. Senators Robert Menendez (D-NJ) and Barbara Boxer (D-CA), reintroduced the Responsible Homeowner Refinancing Act, S. 249 that will build on these changes and further expand opportunities to access historically low interest rates for borrowers who make their mortgage payments on time.

To remove the barriers preventing borrowers' current on their payments from refinancing their loans, the bill would:

- **Extend streamlined refinancing for Government-Sponsored Enterprise (GSE) borrowers:** This bill would ensure that all GSE borrowers who are making their payments have access to simple, low-cost refinances, regardless of loan to value ratio. Allowing banks to have a single set of rules for all GSE borrowers will simplify the process and make it easier and more automatic for servicers to market and promote this program. The bill also extends the date of eligibility for borrower participation an additional year, through May 31, 2010, the point at which interest rates remained steadily under five percent.
- **Eliminate up-front fees completely on refinances:** This bill prohibits the GSEs from charging upfront fees to refinance any loan they already guarantee. These additional fees can be as high as two percent of the loan amount, or an extra $4,000 on a $200,000 loan. For borrowers struggling to keep up with their payments, this is an additional cost they simply cannot afford.
- **Eliminate appraisal costs for all borrowers:** This bill requires the GSEs to develop and allow additional streamlined alternatives to manual appraisals to determine the value of a property for which a HARP refinancing is sought. This will eliminate a significant barrier that will reduce cost and time for borrowers and lenders alike. Even with the GSE's expanded use of Automated Valuation Models, currently, borrowers who happen to live in communities without a significant number of recent home sales have to get a manual appraisal for a HARP refinance.
- **Further streamline refinancing application process:** HARP already restricts participation to borrowers who are current on their loans and have demonstrated a commitment to making their payments on time – despite any loss of income or home value. Lowering the interest rate for these borrowers increases the odds that they will be able to continue making their payments and reduces the risk of default faced by the GSEs. By eliminating employment and income verification requirements, this bill further streamlines the refinancing process and allows lenders to send eligible borrowers a pre-approved application packet that they need only sign and return. Since taxpayers already own the risk of these loans, it makes no sense to impose these requirements that could prevent borrowers from getting lower payments.
- **Remove additional barriers to competition:** This bill would direct the GSEs to require the same streamlined underwriting and associated representations and warranties for new servicers as they do for current servicers, leveling the playing field and unlocking competition between banks for borrowers' business.
- **Require second lien holders who unreasonably block a refinance to pay a fine:** The bill would require lenders who do not permit a second lien to be re-subordinated to a refinanced loan, as long as that refinanced loan does not increase the risk faced by the second lien holder, to pay a fine that will be applied to the borrower's primary loan balance. Many borrowers have been prevented from refinancing because their second note-holder has refused to re-subordinate their lien, even though reducing payments on the first mortgage would make it more likely the borrower to continue making payments on the second mortgage.
- **Require mortgage insurers who unreasonably fail to transfer coverage to refinanced loans to pay a fine:** As with second lien holders, any refinancing of a loan that makes it easier for a borrower to repay puts a mortgage insurer in a better position. Following the recent changes to HARP, all mortgage insurers except United Guaranty, a subsidiary of AIG, have agreed to voluntarily and

automatically carryover existing coverage to the refinanced loan. Approximately 15 percent of all GSE loans with mortgage insurance receive their coverage from United Guaranty. This bill would level the playing field by requiring mortgage insurers who refuse to transfer coverage to refinanced loans to pay a fine that will be applied to the borrower's primary loan balance.

- **Bill Pays for Itself:** According to preliminary estimates by the Congressional Budget Office, the bill pays for itself through reduced default rates on GSE loans, which saves taxpayers money and reduces the amount of any bailouts. It does NOT increase guarantee fees.

Fiscal/Urban/Rural Impact: Sound refinancing options help homeowners keep up with property taxes, which local governments depend on to provided needed services in communities.

Sponsor: Commissioner Welton Cadwell, Lake County, IL

Proposed Resolution Urging Congress to Protect the Tax-Exemption for Single-Family and Multifamily Housing Tax Credits and New Markets Tax Credits

Issue: Protecting tax-exempt single-family and multifamily housing bonds, and the authority to allocate Low-Income Housing Tax Credits (LIHTCs) and New Markets Tax Credits (NMTCs).

Proposed Policy: NACo urges Congress to protect the tax-exemption for municipal bonds, including those that help finance single-family and multifamily housing, and to maintain the authority to allocate LIHTCs and NMTCs.

Background: Congress is expected to consider comprehensive tax reform in this session of the 113th Congress. Among the issues that will be central to the debate are whether to eliminate or lessen the value of "tax expenditures." These include tax-exempt single-family and multifamily housing bonds as well as LIHTCs and NMTCs. These three tax incentives are critical tools that counties and others use to expand affordable housing opportunities for first-time homebuyers and lower income renters and stimulate investment in distressed neighborhoods.

This year marks the 100th anniversary of Congress providing in the federal tax code an exemption from federal taxation for interest that accrues to an investor in municipal bonds. The exemption is provided under the doctrine of reciprocal immunity, i.e. that the federal government will not tax the interest earned on state and local government bonds and those governments will not tax the interest on federal securities. That doctrine has enabled state and local governments and their instrumentalities to access cost-effective capital to finance infrastructure as well as affordable housing. Tax-exempt Mortgage Revenue Bonds assist first-time homebuyers in purchasing their homes at below market interest rates. Tax-exempt multifamily housing bonds, which are combined with four percent LIHTCs, allow developers and non-profit organizations access to below market financing to provide affordable housing to lower income households whose incomes and rents are restricted.

In 2011, over 30 county and city housing agencies participated in a New Issue Bond Purchase Program whereby the U.S. Treasury bought their housing bonds through the Government-Sponsored Enterprises, Fannie Mae and Freddie Mac. This led to assisting over 7,500 first-time homebuyers, whose incomes averaged 78 percent of area median income in purchasing an affordable home. Eleven other local housing agencies used bonds and tax credits to finance the construction or preservation of over 9,400 units in 71 developments that were affordable to households with incomes at 60 percent of area median income or below.

The New Markets Tax Credit program was established by Congress in 2000 in the Community Renewal Tax Relief Act, P.L. 106-554. It provided $15 billion in NMTC allocations between 2000 and 2007.

Administered by the Department of the Treasury's Community Development Financial Institutions Fund, the program allocates tax credits to "Community Development Entities" established to make business investments in distressed neighborhoods. The "Fiscal Cliff" Avoidance Act of 2013 created two additional rounds of the program at $3.5 billion for each of two years. Every $1 of tax credits generates an additional $8 in other investments.

Some members of Congress and others have called for the elimination of all tax expenditures as a way of decreasing the deficit or paying for lower income tax rates. The Obama Administration has called for imposing a cap of 28 percent on tax-exempt interest as a means of having the wealthy pay a greater share of the tax burden. However, a recent market analysis has concluded that 55.5 percent of that reporting tax-exempt bond interest had adjusted gross income of $250,000 or less and 60 percent of those individuals were 65 or older. Thus, the majority of the exemption benefits the middle class. LHTCs are an essential incentive to attract private capital to the construction or preservation of affordable rental housing.

Thus, Congress should resist any thought to eliminating or curtailing the value of tax-exempt bonds, LIHTCs and NMTCs as a means of deficit reduction or tax reform.

Fiscal/Urban/Rural Impact: Municipal bonds are a critical tool for counties, cities and states to access capital for infrastructure and other uses such as for affordable housing at below market interest rates. LIHTCs are also an essential tool in expanding affordable rental housing by providing an essential equity investment. NMTCs are a key economic development tool to aid business investment in distressed neighborhoods.

Sponsor: Jack Exler, Assistant Director, Department of Economic Development, Allegheny County, PA

Proposed Resolution Supporting Congressional and Administration Action to Allow the United States to Remain a UNESCO Member in Good Standing

Issue: Counties serving as home to irreplaceable properties of historic and cultural significance receiving World Heritage Site designation by the United Nations Educational, Scientific and Cultural Organization (UNESCO) have significant economic opportunities. However, for new sites to be designated, the United States must remain a member in good standing of UNESCO.

Proposed Policy: NACo urges Congress and the Administration to take the actions necessary to allow the United States to remain a member in good standing of UNESCO.

Background: Today, 46 counties in the United States are benefiting from increased tourism and economic activity associated with the 21 sites currently designated as World Heritage Sites by UNESCO. These sites include: the Statute of Liberty, Independence Hall, Carlsbad Caverns, Everglades National Park, Monticello and Pueblo de Taos in New Mexico. Thirteen additional counties would benefit if the 13 sites under consideration, including the San Antonio Missions National Historic Park in San Antonio-Bexar County, Texas, are enshrined as World Heritage sites.

Designation of the San Antonio Missions Historic Park would generate more than $100 million in overall economic impact, create 1,000 new jobs and produce over $2 million in hotel tax revenue. Significant economic impacts like these cannot be achieved unless the U.S. remains in good standing as a UNESCO member.

Currently the U.S. is a member of UNESCO, but is not in good standing as a result of the 2011 UNESCO General Conference vote to admit Palestine as a full member, which triggered a 22 year old federal law that forced the U.S. to cut funding. Former President George W. Bush recognized UNESCO's value in combating terrorism by serving as a vehicle for battling extremism and promoting values such as democracy and freedom of expression.

Fiscal/Rural/Urban Impact: The significant economic benefits and international prestige will not be possible for these counties and surrounding communities unless the U.S. remains in good standing as a UNESCO member.

Sponsor: Bexar County, Texas Commissioners

ENVIRONMENT, ENERGY AND LAND USE

PROPOSED PLATFORM CHANGES

Federal Stormwater Regulations

Under WATER QUALITY – Section A). Clean Water Act

2. Stormwater Runoff: NACo supports revisions to the CWA and development of a federal stormwater program, which would achieve the following outcomes:

- Incorporate public, state and local governments comments and/or suggestions into promulgation and/or expansion of existing federal stormwater rules;
- Flexibility for local governments to consider the site-specific nature of stormwater (including geographically-specific information) and determine the most cost-effective and technologically feasible means of reducing pollutants to meet CWA objectives;
- Consolidation of Phase I (over 100,000 population) and Phase II (under 100,000 population) stormwater regulatory programs for local governments into a simplified, workable and effective program;
- Development by local governments of local stormwater management programs consistent with state stormwater program goals and EPA guidance;
- Federal funding of a comprehensive stormwater research program to determine the impact of stormwater on overall water quality. This study should also include a comprehensive cost benefit analysis;
- An exemption from regulation for local governments that do not contribute to stormwater pollution problems or have implemented stormwater management programs that are shown to be successful in addressing local water quality concerns; and
- Logging roads should be excluded as a "point source" under CWA rules and regulations (pertaining to stormwater discharges).

Sponsor: Commissioner Jack Hilbert, Douglas County, CO

Good Samaritan Environmental Laws

Under WATER QUALITY – Section: A). Clean Water Act; New section #4

3. Sewer Overflows: NACo supports a Combined Sewer Overflow (CSO) program which is based on cost-benefit analyses and allows for a variety of control techniques. EPA's CSO policy should accommodate water quality standards that encompass stormwater discharges and their impact in CSO systems.

NACo believes that a significant national environmental or public health problem requiring federal regulation from Sanitary Sewer Overflows (SSO) has not been demonstrated. NACo calls on the EPA to review SSO regulations to ensure flexibility for local communities to adequately address this challenge.

4. **<u>Good Samaritans for Abandoned Mine Sites</u> -** <u>NACo supports legislation and/or policy that will immediately limit liability for "Good Samaritans" performing voluntary, cooperative mitigation efforts on water discharging from abandoned mine sites which measurably improves water quality that has been impacted by mining activity where there is no financially responsible party.</u>

Sponsor: Commissioner Lynn Padgett, Ouray County, CO

Pesticide Use in County Ditches

Under WATER QUALITY - Section D). Wetlands Permitting and Navigable Waters

D. Wetlands Permitting and Navigable Waters: NACo supports the national policy goal of net gain/no net loss of wetlands and encourages a management approach that avoids wetlands, minimizes wetland loss, and mitigates as the final alternative. NACo supports additional federal funding for local governments to implement the national policy goal.

NACo supports a requirement to offset unavoidable wetland loss by mitigating, restoring through enhancement of existing wetlands, or creating new wetlands, when public need requires that public facilities, utilities, or improvements be developed over sensitive ecological areas.

NACo supports clarification of federal law to permit the proper maintenance of drainage systems according to the original intent and design of the law and to federal and state regulations established prior to 1985. Land designated as agricultural land prior to 1985 should not require restoration to conditions prior to agricultural use.

NACo supports keeping the terms navigable and/or navigable waters in the Clean Water Act to protect intrastate waters, including wetland habitats, rivers, and streams within the United States and to protect the basic, fundamental principles of local land use control in accordance with the goals of the CWA. NACo will oppose any effort to remove the term "navigable" from the CWA.

NACo calls on the federal government to clarify that local streets, gutters, and human-made ditches are excluded from the definition of "waters of the United States." Further, NACo urges the federal government to recognize that the flow volume of stormwater from development and regulation of impervious surfaces are local land use issues, and are not subject to federal regulation.

<u>NACo supports using pesticides in accordance with the instructions on the label, and supports strong penalties for those who misuse pesticides in the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). NACo opposes any legislation that expands the Environmental Protection Agency's (EPA) jurisdiction in regard to pesticide use in (and around) county-owned and operated streets, gutters, and ditches.</u>

Sponsor: Commissioner Robert Cope, Lemhi County, ID

Funding for Maintenance of Dam Infrastructure

Under WATER QUALITY – Section E). Funding and Security for Water Infrastructure (EELU section of American County Platform)

E. Funding and Security for Water Infrastructure: NACo recognizes the threat posed to the health and safety of our nation as it faces a crucial time of aging and crumbling water and wastewater infrastructure and an increased risk for both natural and human-made disasters. NACo calls for a reliable, long-term, and substantially increased federal investment in water infrastructure, watershed protection, and the protection of water resources and facilities from physical and chemical security threats. The broad range of local needs to achieve national clean water goals and objectives that would be funded by this investment include the construction, repair and replacement of treatment works, collection and distribution systems, compliance with federal regulatory mandates, investments in decentralized wastewater systems, voluntary non-point source pollution abatement, source water protection, and improvements in the security of water resources and facilities, consistent with local land-use plans.

NACo recognizes the critical role dams and levees play in local flood control, and that failure of unsafe or deficient dams and levees can lead to significant property destruction and immeasurable loss of human life. Like other critical infrastructure, these man-made structures deteriorate and ongoing investment is necessary to ensure the safety of such structures. NACo supports increased federal commitment to fund the repair and rehabilitation of America's non-federal, publicly-owned dams and levees, including those constructed through agreements between counties and the National Resource Conservation Service, with priority funding given to structures presenting the highest risk of failure and which present the highest risk to homes, schools, businesses or important infrastructure in the event of failure. Federal funding should be made available through grants, loans, and federal cost-share programs designed to assure that unsafe or deficient dams and levees are brought into compliance with national minimum safety standards and to assure that necessary maintenance and upgrades can be conducted to meet these standards on an ongoing basis. Moreover, NACo urges federal and state governments to consult with, and include, counties in the decision-making process when undertaking the rehabilitation of unsafe or deficient dams and levees located within the jurisdiction of the county.

Sponsors: Douglas E. Hill, Executive Director, County Commissioners Association of Pennsylvania; Lisa Schaefer, Government Relations Manager, County Commissioners Association of Pennsylvania

Oil Pollution Act and Sharing of CWA Penalty Fines

Under WATER QUALITY – Add section I). Oil Pollution Act after section H). Oceans and Coastal (EELU section of American County Platform)

H. Oceans and Coastal: NACo supports federal funding for continued education and scientific study of ocean acidification.

NACo supports focused dialogue and collaboration between counties and the U.S. military to continue to improve maritime practices and to mitigate sonar impacts to marine mammals, fisheries, local economies, and natural resources.

I. Oil Pollution Act: NACo supports federal legislation and policies to strengthen local government involvement under the Oil Pollution Act (OPA). NACo supports requiring federal agencies who oversee

OPA to consult and coordinate with local governments in environmental protection, oil spill contingency planning, training and implementation of OPA processes.

NACo supports sharing CWA penalty oil spill fines with impacted communities. NACo supports using the 2012 RESTORE Act (Resources and Ecosystems Sustainability, Tourism Opportunities and Revived Economy of the Gulf Coast Act) provisions as a model for future pollution incidents throughout the country.

Sponsor: Parish President Charlotte Randolph, Lafourche Parish, LA

Cap and Trade/Carbon Tax

Under AIR – Section J). Greenhouse Gases

J. Greenhouse Gases: NACo urges Congress to address global warming.~~, regardless of its source.~~ NACo urges Congress to aggressively pursue national and international programs to develop carbon-neutral energy sources and reduce greenhouse gas emissions. ~~Federal funding of sensible and cost-effective technologies to reduce greenhouse gases should be continued.~~ However, NACo opposes any legislative or regulatory proposals, such as a cap and trade system or carbon tax, that would pass on direct and indirect costs and/or taxes onto counties, consumers, and businesses.

~~NACo urges Congress to address global warming, regardless of its source.~~ NACo supports immediate and long-range efforts by the federal government to involve all levels of stakeholders to mitigate possible sources of ~~climate change~~ global warming now through a series of practical incentives and through more federal funding for all means of emissions reduction. This includes economic incentives to reduce greenhouse gas emissions through innovation technology awards and research and development. Federal funding of sensible and cost-effective technologies to reduce greenhouse gases should be continued.

NACo urges Congress to provide financial and technical assistance to local governments to help develop and implement local climate change adaption and mitigation plans and projects, including smart growth initiatives, mass transit development, renewable energy deployment, acquisition of high efficiency fleet vehicles and protection of water supplies.

NACo supports active county participation in climate legislative initiatives. These initiatives must be balanced and equitable, and benefit counties by providing revenue to communities for creating economic growth, sustainable businesses, community development, energy efficiency, conserving parks and open spaces, and develop natural resources that increase quality jobs, business productivity, and competitiveness.

Sponsors: Commissioner Alan Gardner, Washington County, UT; Commissioner Robert Cope, Lemhi County, ID; Commissioner John Prinkki, Carbon County, MT

Property Assessed Clean Energy Program

Under ENERGY – Section C). Energy Conservation

C. Energy Conservation: NACo supports federal funding and other incentives to promote nationwide energy conservation efforts. To facilitate decentralized energy conservation activities, the federal government should seek input from local government on implementation and continue to adequately fund all conservation and fuel assistance programs, such as: the State Energy Conservation Program; Energy Extension Service; Institutional Conservation Program; Weatherization Assistance Program;

Low-Income Housing Energy Assistance Program; and the Energy STAR Program. NACo believes the federal government should work with local governments in the research, development, and implementation of energy efficient building standards.

NACo believes the federal government should encourage local governments to develop partnerships with utilities and private industry to develop energy efficiency and conservation programs which will result in cost savings for local businesses and a stronger local economy.

NACo supports full funding for the Energy Efficiency and Conservation Block Grant (EECBG) Program in FY2010 and thereafter. Additionally, NACo supports including city populations in the overall county population numbers and urges the DOE to allow all "eligible" counties in all states to apply for the direct formula funding.

NACo supports funding for Property Assessed Clean Energy (PACE) programs and supports their treatment by federal regulators as a traditional tax assessment program with priority lien status.

Sponsor: Sonoma County, CA

Changes to Electric Utility Restructuring

Under ENERGY – Section H. Electric Utility Restructuring

H. Electric Utility Restructuring: NACo supports the following principles of reliability, equitable benefits, social and environmental impacts, and stranded costs in any attempts to restructure the delivery of electricity:

- The federal government should work in partnership with state and local governments if it plans to restructure the nation's electric industry;
- Whether or not restructuring is pursued, the foremost consideration is to develop and enforce a common goal and supporting policies that maintain and improve the system, including upgrading and replacing aging and outdated infrastructure with particular attention to our older communities and regions, incorporating newest technologies and anticipating technological improvements, and ensuring reliability and affordability of service with particular attention to resilience in the face of natural and other hazards.
- Any transition to a competitive generation market should provide sufficient time, in line with the magnitude of the change, for counties to adapt to the new structure, avoid disruption of service to the public, and adjust to potential changes in tax revenues;
- Any restructuring must acknowledge and not abridge the existing power and authority of counties to operate county utilities or the ability of counties to form such utilities in the future, providing the utilities do not result in a cost-shifting to other counties;
- Under any restructuring, counties, either individually or on a regional basis, should have the opportunity to consider combining the electric loads of various users and negotiate the purchase of electricity on behalf of those consumers;
- Any restructuring should include a transition period during which legitimate stranded costs can be recovered in a just and reasonable manner as determined by state law;
- Counties should continue to have the authority to issue franchises and/or taxes and no federal or state action should preempt or interfere with county revenue authority;
- Counties should retain full authority over its own right-of-ways and recovery costs for their use;

- Customers should be allowed to choose their own electric power supplier as determined by state legislation, not federal law, and be given a written disclosure prior to selecting a provider on the overall cost of service;
- Recognition of electrical, geographic and institutional differences such as the western and eastern electrical grids having different features and challenges; and
- DOE and state utility commissions continuing their important role in ensuring that all consumers can count on the long-term integrity, safety, and reliability of their electricity service.

Sponsors: Council Member Helen Holton, Baltimore City, MD; Commissioner Christian Leinbach, Berks County, PA; Douglas E. Hill, Executive Director, County Commissioners Association of Pennsylvania; Lisa Schaefer, Government Relations Manager, County Commissioners Association of Pennsylvania

DOD's Readiness and Environmental Protection Initiative

Under LAND USE – Section E). Federal Installations and Weapon Sites

E. ~~Cleanup of~~ Federal Installations~~, and Weapon Sites~~ Military Testing and Training Ranges

1. NACo urges federal recognition that funding to cleanup former and existing federal military and other federal complexes is a federal responsibility. To protect human health and the environment, NACo believes the federal government should:

    - Approve full federal funding for environmental cleanup activities at existing and former military, nuclear weapons, and other federal complexes;
    - Make a commitment to complete environmental cleanup at its facilities within a reasonable and justifiable timeframe;
    - Strive to not only comply with environmental laws, but also be a leader in the field of environmental cleanup to address public health concerns, ecological restoration, and waste management; and
    - Consult with local governments regarding transportation and timing of cleanup materials.

2. NACo supports continued funding and commitment for Department of Defense's (DOD) Readiness and Environmental Protection Initiative (REPI). The REPI program enables DOD to enter into cost-sharing partnerships, authorized by Congress, with private conservation groups, local and state governments to protect military test and training capabilities and conserve land. These partnerships acquire easements or other interests in land from willing sellers to preserve compatible land uses and sustain wildlife habitat near installations and ranges where the military operates, tests, and trains.

Sponsor: Commissioner Jean E. Powell, Hoke County, NC

PROPOSED RESOLUTIONS

Proposed Resolution on Good Samaritan Environmental Laws

Issue: Liability for environmental clean-up around abandoned mine land sites.

Proposed Policy: NACo supports legislation and/or policy that will immediately limit liability for "Good Samaritans" performing voluntary, cooperative mitigation efforts on water discharging from abandoned mine land (AML) sites which measurably improves water quality that has been impacted by mining activity where there is no financially responsible party.

Background: Over the past couple decades several different pieces of federal legislation have been introduced in the House and the Senate designed to address the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and Clean Water Act liability for existing conditions at AML sites. The concept is to provide appropriate liability relief to bona fide "Good Samaritans" that voluntarily clean up acid mine drainage at abandoned hard rock mines and mitigate environmental hazards rather than just physical hazards.

There are hundreds of thousands of abandoned mines in the United States with acid drainage issues that are degrading water quality, making it more expensive to provide potable water, damaging potential fisheries, causing environmental degradation, and making it impossible for even small, modern, appropriate mining to take place because a discharge permit cannot be obtained by mining operations that would operate in compliance with current laws, standards, and best management practices in waterways designated as impaired. Due to the vintage of these abandoned mines, many well over 50-100 years old, there is no Financially Responsible Party and the owner of the property is not the party that caused the mine or drainage. The presence of impaired waters increases costs for providing potable drinking water in headwaters communities, and causes loss of economic benefits from reduced agricultural activities, loss of economic benefits from appropriate modern mining operations not being able to get discharge permits, and loss of economic benefits from reduced or lack of fisheries that allow for recreational opportunities.

Some of these abandoned mine sites may have been identified as a priority for cleanup under the Environmental Protection Agency (EPA) Superfund program, however this program for many reasons cannot quickly address the issue that local Good Samaritans know intimately. For example, one study suggests that 70 percent of acid drainage and metal loading in the Uncompahgre River comes from just three abandoned mine portals. Even if there is natural acid drainage from the inherent geology of this San Juan Mountains area, improving the water quality through cleanup of these abandoned mine portals could open up important economic opportunities for new small and medium scale hard rock mines, more productive agricultural operations, improved outdoor recreation, and less expense of procuring potable municipal water for residents downstream. All of these outcomes will contribute to diversification of the economy, provide new quality jobs, and lessen the burden on taxpayers. Local Good Samaritans exist and are ready to clean up these abandoned mines when threat of liability is removed.

Counties need resolution of this issue immediately, and it may be possible for the issue to be resolved administratively rather than legislatively. No matter how providing bona fide "Good Samaritans" protection from liabilities is achieved, this needs to be accomplished immediately because it will allow impacted/impaired areas to realize important economic benefits in areas having limited opportunities.

Fiscal /Rural/Urban Impact: This resolution does not encourage any new program or requirement for mandating any county expenditure. When acid drainage from abandoned mines is mitigated there will be positive economic benefits through opportunities for enhance agricultural operations, enhanced or new fisheries, increased outdoor recreation and tourism, opportunities for permitting new mines, and decreased cost of acquiring potable water for municipal use.

Sponsors: Commissioner Lynn Padgett, Ouray County, CO; Commissioner Peter McKay, San Juan County, CO; Commissioner Art Goodtimes, San Miguel County, CO

Proposed Resolution on U.S. Army Corps of Engineers' Levee Vegetation Removal Policy

Issue: U.S. Army Corps of Engineers' (Corps) levee vegetation management policy

Proposed Policy: NACo supports modifying the U.S. Army Corps of Engineers' levee vegetation policy to address significant local government implementation challenges, including H.R. 399, the *Levee Vegetation Review Act* of *2013* and Section 2020 of S. 601, the *Water Resources Development Act (WRDA) of 2013.*

Background: Following extensive flooding in New Orleans from Hurricane Katrina, the Corps began reassessing its levee safety standards, including enforcing its vegetation policy more rigorously. The Corps' policy requires all vegetation, except grass, to be removed from levees in order to allow for easier inspections and to reduce any potential weakening of levees through root growth. Levees that the Corps deems to be out of compliance with its vegetation policy will be ineligible for federal disaster assistance. Notably, the Corps' own initial research on the topic indicates that minimal data exists on the scientific relationship between vegetation and levees.

The Corps' vegetation requirement creates considerable challenges for local governments and flood control agencies. For starters, implementing the directive will cost localities billions of dollars nationwide. In California alone, the Department of Water Resources estimates that the minimum cost of complying with the vegetation removal policy will total roughly $7.5 billion.

It should be noted that the Corps allows local agencies to apply for an exemption from its vegetation policy, called a "variance." However, the timeline and costs associated with the variance submittal process represent a significant burden on local levee sponsors. One estimate puts the cost of preparing a variance request at $450,000 per levee mile.

Additionally, the Corps’ policy is often in direct conflict with federal and/or state laws and regulations that prohibit the removal of vegetation on or next to levees, particularly when the vegetation provides habitat for endangered or threatened species. Accordingly, county officials can be put in the untenable position of choosing between removing vegetation - and therefore potentially violating environmental laws - or leaving vegetation in place and foregoing eligibility for federal relief to conduct post-disaster levee repairs.

On January 23, Representative Doris Matsui (D-CA) introduced legislation to address these significant challenges. The bipartisan bill (H.R. 399) would require the U.S. Secretary of the Army to conduct a comprehensive review of the Corps' current “one-size-fits-all” national standard. Additionally, the legislation would require the Corps to provide a process for approving regional or watershed variances, while seeking input from state and local entities. The Senate-approved WRDA bill (S. 601) includes similar provisions in Section 2020.

Fiscal/Urban/Rural Impact: It is estimated that the Corps' levee vegetation policy will cost county governments billions of dollars nationwide as county public works departments, flood control districts and agencies work to remove valuable riparian habitat from thousands of miles of levees. Additionally, limited local resources spent on implementing the Corps' policy will divert funding from other critically needed local flood-control projects.

Sponsor: California State Association of Counties

Proposed Resolution on U.S. Army Corps of Engineers Section 404 Permit Program

Issue: Administration of Clean Water Act (CWA) §404 Permit Program for routine maintenance.

Proposed policy: NACo urges the federal government to improve the CWA §404 permit process by the U.S. Army Corps of Engineers (Corps); remove routine maintenance of public flood protection facilities from the §404 permit process when no endangered species habitat present; and extend the (CWA) general permit term for routine maintenance from five to ten years.

This proposal does not apply when endangered species are present in the maintenance area.

Background: The CWA has had a positive impact on the health of many of the nation's rivers. However, unintended consequences in implementation have impacted flood safety and maintenance costs.

The CWA §404(f)(1)(B) indicates Congress' intent to exempt certain routine maintenance from permitting, but Corps regional offices have narrowly interpreted that the exemption does not apply to routine maintenance of sediment, debris, and vegetation in flood protection facilities.

This narrow interpretation creates a dragnet capturing almost all routine flood maintenance work into permitting; increases Corps' workload; and causes significant permit backlog, thwarting counties' ability to perform flood maintenance. Permit approvals can take up to three years and §404 General Permits are limited to five year terms—counties are in a constant costly cycle of permitting. Meanwhile, vegetation continues to grow and becomes habitat, triggering additional permits, mitigation and further delays.

A Nationwide §404 permit to maintain San Diego Creek Channel in Orange County, CA required three years for approval, while flood protection was reduced to a ten-year protection level. Clearing 13 acres of vegetation cost $700,000 but required 20 acres of mitigation at a cost of $2.8 million. The mitigation cost was four times the maintenance cost.

Furthermore, inability to maintain flood facilities results in liability to counties. In *Arreola v Monterey*, 99 Cal. App. 4th 722 (2002), the Fourth District Court of Appeals held the County of Monterey liable for not maintaining a levee that failed due to overgrowth of vegetation, even as the county argued that the permit process did not allow for timely approvals.

Ultimately, permitting delays magnify simple maintenance into complex and costly projects. Clarifying existing §404 maintenance exemptions would improve flood protection; save tax payer funds; and allow regulators to focus on significant impacts instead of minor maintenance.

Fiscal/Urban/Rural Impact: Provide fiscal and regulatory relief and flood safety to counties.

Sponsor: California State Association of Counties; County of Orange, CA

Proposed Resolution on the Reduction and Cleanup of Marine Debris

Issue: Encourage clean-up of marine debris.

Proposed Policy: To address the exponentially increasing problem of marine debris, NACo:

- Supports continued reauthorization of the Marine Debris Research, Prevention, and Reduction Act (MDRPRA) and/or similar legislation;
- Supports increased funding to the National Oceanic and Atmospheric Administration (NOAA) to provide additional resources for:
  - Grants to coastal counties for beach cleanup efforts;
  - Funding for derelict fishing gear removal;

- Research on the effectiveness of off-shore clean-up methods; and
- Federal policies that encourage states and localities to educate small business communities and consumers about the significant environmental harm of single-use plastic bags/bottles and the benefits of associated county-wide bans and additionally encouraging reuse/recycle policies at the local level.

Background: On December 20, 2012, President Obama signed the Marine Debris Act Amendments of 2012 to re-authorize and amend the MDRPRA to address the adverse impacts of marine debris on the United States economy, the marine environment, and navigation safety. It is vitally important that these programs, and others like it, are maintained.

The oceans are drowning in debris, much of it plastic. The amount of plastic garbage in the North Pacific Ocean has risen a hundredfold since the 1970's. It is estimated that there are 46,000 pieces of plastic litter floating in every square mile of ocean. The Japanese tsunami is exacerbating the problem and bringing it to the public's attention.

Marine debris is any persistent solid material that is manufactured or processed and directly or indirectly, intentionally or unintentionally, disposed of or abandoned in the marine environment or the Great Lakes. Marine debris causes a significant amount of environmental and economic harm to coastal states and counties. Each year, approximately 52 metric tons of marine debris from domestic and foreign sources wash ashore and snag on reefs in the Northwestern Hawaiian Islands alone.

Counties across the country are facing increased costs to clean up the debris or to prevent it from reaching the ocean. Marine debris also impacts a county's tourism and fishing economies.

Marine debris wash-up events on New Jersey beaches during two summer seasons caused between $728M and $3.07B (2010 USD) in losses to the tourism sector. Los Angeles County's 31 miles of beaches cost $4.2M to clean in 1994. A survey in Oregon revealed that nearly 60 percent of fishermen had experienced equipment damage due to marine debris, costing thousands of dollars in repairs.

The Government of Japan has estimated that the tsunami swept about 5 million tons of debris into the Pacific Ocean and that about 70 percent sank right away, leaving 1.5 million tons floating off the coast of Japan. American oceanographers believe that 100 million tons of debris was created, and expect one-quarter of that to make landfall, possibly in volumes large enough to clog ports. The Japanese tsunami is likely to deliver unprecedented amounts of debris to Hawaii, Alaska, Wash., Ore. and Calif. over the next several years.

One type of marine debris is derelict fishing gear, which is lost or abandoned commercial and recreation fishing nets, lines, pot, and traps that sit on the seafloor, get caught on rocky and coral reefs, or float on the ocean surface. As the majority of fishing gear is made of synthetic materials, it:

- Remains in the marine environment for decades;
- Entangles and traps marine organisms;
- Poses navigational hazards for mariners;
- Endangers humans, especially divers; and
- Reduces the available catch to commercial and recreational fishing.

The average American uses 350 plastic bags every year. The elimination of single use plastic bags has been identified as the single most important change that can be made to reduce ongoing marine debris. With a population of 4 million -- and using an estimated 2.7 billion plastic bags each year -- Los Angeles recently became the largest city in the U.S. to enact a ban and joins 47 other cities in California alone. Every county in the State of Hawaii has banned single-use plastic bags.

Fiscal Urban/Rural Impact: There are 672 coastal counties in the United States (285 in the Atlantic, 142 in the Gulf of Mexico, 87 in the Pacific, and 158 in the Great Lakes). In 1990, these counties accounted for almost 54 percent of the Nation's population.

This would result in both direct and indirect cost savings to counties and economic benefits to fishing and tourism industries in coastal counties.

Sponsor: Council Member Mike Victorino, Maui County, HI; Council Member Dave Somers, Snohomish County, WA; Supervisor Salud Carbajal, Santa Barbara County, CA

Resolution on Exempting Renewable Biomass Emissions from the EPA's Tailoring Rule

Issue: Renewable Biomass Emissions and the Greenhouse Gas Tailoring Rule

Proposed Policy: NACo supports the permanent exemption of emissions from renewable biomass combustion from the Environmental Protection Agency's (EPA) "Greenhouse Gas Tailoring Rule" and supports policy that recognizes the full carbon benefits of biomass combustion for energy consistent with established and well-supported science.

Background: During the summer of 2010, the Environmental Protection Agency released a Title V Greenhouse Gas Tailoring Rule that would essentially consider emissions from biomass combustion the same as emissions from fossil fuels.

Scientists and other experts have consistently labeled sustainable biomass energy as "carbon neutral" and "renewable" because forests that produce biomass energy recycle carbon from atmosphere when new trees grow. As the EPA continues the efforts on the Tailoring Rule, counties are concerned that they may reverse a long-standing policy of labeling renewable biomass energy as "carbon neutral" such that the new policy would wrongly treat renewable, carbon-neutral biomass like coal and other traditional fossil fuels. It is important that policy reflect the full benefits of biomass utilization for energy that is consistent with well-supported science.

In January 2011, the EPA decided to postpone rulemaking for three years so EPA can gather data and better reflect science on biomass emissions. While counties see the importance of postponing the rulemaking, we recognize that there is now prolonged uncertainty on how biomass emissions will be regulated. This uncertainty will likely deter developers and new investments from making long-term investments in the industry. Furthermore, the outcome of the rulemaking will have an impact on all aspects of the biomass industry (from biomass collection to energy production) which will impact economic growth and opportunity in counties throughout the country. The EPA must recognize the importance of the biomass industry and the critical role it plays in improving the environment, job creation, and allowing our country to reduce its dependence on fossil fuels.

Fiscal Urban/Rural Impact: The construction and operation of biomass plants will provide a means to address forest health. Over the long-term, thinning operations and reduction of combustible materials will reduce fire danger, lower firefighting costs, and help restore forests. New biomass facilities and an increase in biomass demand will boost both job creation and property tax revenues for counties. The size of the impact will depend upon the number and location of biomass facilities.

Sponsor: Association of Oregon Counties

Proposed Resolution Supporting County Divestment from Fossil Fuels

Issue: The climate crisis is a serious threat to current and future generations in every one of our counties and around the world.

Proposed Policy: NACo urges counties to make a commitment to divest from existing holdings in fossil fuel companies or commingled assets that include holdings in fossil fuel companies, and to not make any new investments in fossil fuel companies or in commingled assets that include holdings in fossil fuel companies. For the purposes of this resolution, a "fossil fuel company" shall be defined as any of the 200 publicly-traded companies with the largest coal, oil, and gas reserves as measured by the gigatons of carbon dioxide that would be emitted if those reserves were extracted and burned, as listed by the Carbon Tracker Initiative in its "Unburnable Carbon" report.

Background: Across the U.S. and the world counties increasingly are making commitments to improve the sustainability of their operations, management, and policymaking, and working to adopt policies and take actions to plan for and address climate change mitigation and adaptation as a critical element their sustainability efforts.

In 2007, the International Panel on Climate Change (IPCC) found that global warming was real, primarily caused by human activities, posed significant risks and is already causing costly disruption of human and natural systems throughout the world including the melting of Arctic ice, the ocean's rise in acidity, flooding and drought.

In 2009, 167 countries endorsed the non-binding Copenhagen Accord which, as drafted by the United States, China, India and Brazil, states that any warming above a 2°C (3.6°F) rise would be unsafe, and humans can only emit about 565 more gigatons of carbon dioxide into the atmosphere to maintain this limit. Climate experts, scientific organizations representing every major discipline, and dozens of national academies of science overwhelmingly agree with IPCC findings.

If all the known reserves of coal, oil, and gas in 2010 were burned, they would emit 2,795 gigatons of CO_2, or roughly five times the amount we can safely release to maintain a 2°C limit of planetary warming.

Counties have a responsibility to protect the health, safety, and welfare of their inhabitants from the threats of climate change and to ensure resilient and vibrant communities for the future. County investments should support this responsibility and commitment.

Fiscal/Urban/Rural Impact: Fiscal impacts will differ depending on the specific investments of individual counties. Divestment will help counties start an important discussion in the market about the long-term viability of fossil fuels and the need to transition to a clean energy economy.

Sponsor: Supervisor Kyle Richmond, Dane County, WI

Proposed Resolution on the Keystone XL Pipeline

Issue: Allowing construction of the Keystone XL Pipeline

Proposed Policy: NACo urges the Department of State and the Administration to expedite the comprehensive review and submission for the approval process, the Presidential Permit for the Keystone XL Pipeline and other petroleum pipeline projects.

Background: A pipeline project that could create thousands of American construction jobs and lessen the country's dependence on foreign oil is essential to ensure a strong U.S. economy. The Keystone XL Pipeline project has this potential. By green-lighting the project, counties become winners through job growth and an increased property tax base where the pipeline runs.

The Keystone XL pipeline would transport 830,000 barrels of crude oil day from the oil sands region of Alberta, Canada to refineries in the U.S. TransCanada, a Canadian pipeline company, filed an application with the U.S. Department of State to build the pipeline. The proposed pipeline would bring oil sands from Canada, and an on-ramp at Baker Montana will allow 100,000 barrels of Bakken Oil to be transported all of the way to Gulf Coast refineries.

The United States and Canada are major trading partners. The development of Northern American energy, like Canadian oil sands, will create and preserve thousands of jobs and strongly benefit US energy security and our nation's economy. It is likely that if the U.S. declines the project, Canada will look to export the oil to other less environmentally conscious countries.

Fiscal Urban/Rural Impact: Approving this pipeline would be a boon for counties, leading to increased jobs and a stronger tax base, in these tight fiscal times.

The 20,000 American jobs Keystone XL would create include 13,000 construction jobs-work for pipefitters, welders, electricians, heavy equipment operators and more; and 7,000 manufacturing jobs – from the pipe being manufactured in Arkansas, pump motors made in Ohio and transformers built in Pennsylvania, workers in almost every state in the US would benefit from Keystone.

Sponsor: Commissioner Richard Dunbar, Phillips County, MT

Proposed Resolution Opposing Delay in Issuance of Oil and Gas Drilling Permits

Issue: Issuance of drilling permits

Proposed Policy: NACo strongly supports domestic energy production and recognizes that U.S. independence from foreign oil also requires expanded alternative and renewable resources. NACo urges the Administration to safely and thoughtfully grant oil and gas drilling permits in a timely fashion.

Background: The Bureau of Land Management (BLM) under the current administration is taking an unreasonably long amount of time to process oil and gas drilling permits. These long delays, often times on the order of several months if not over a year, are discouraging various energy companies to the point they are withdrawing from operations on public lands and transferring their attention and activities to exploration and development ventures on private lands in other parts of the country. These energy companies are not receiving fair value for the leases they purchased on these BLM lands, because their drilling permits are so unreasonably delayed, often for no apparent reason.

Fiscal/Urban/Rural Impact: There will be significant and unwarranted impacts to energy uses if the BLM does not safely and thoughtfully grant oil and gas drilling permits in a timely fashion.

Sponsors: Commissioner Mike McKee, Uintah County, UT; Commissioner John Jones, Carbon County, UT

FINANCE AND INTERGOVERNMENTAL AFFAIRS

PROPOSED PLATFORM CHANGES

Assessment and Tax Administration

Tax Exemption for Municipal Bonds: NACo supports the right of counties to issue governmental debt for essential public services by marketing bonds to investors with interest on such bonds remaining totally exempt from federal taxation. Just as federal debt is exempt from local taxes, county governments vigorously oppose any action in the context of tax reform or deficit reduction that would directly or indirectly tax, under the federal income tax, interest on state or local government municipal bonds, or would place these bonds in an inferior competitive position with federal debt instruments and corporate securities. NACo asserts that tax-exempt bonds are a critical tool for budgeting and financing of long-range investments in the infrastructure and facilities necessary to meet public demand for government services. NACo opposes restrictions that would drive up the cost of issuing tax-exempt bonds. NACo endorses simplifications that would ease existing burdensome restrictions on tax-exempt financing.

NACo supports the use of direct subsidy bonds (e.g. Build America Bonds and Recovery Zone Bonds) as additional financing options for county governments but not as a replacement for traditional tax-exempt municipal bonds.

Sponsor: Commissioner Daniel Troy, Lake County, OH

Access to the Tax-Exempt Market

When considering any legislation which would have an impact on the municipal bond market, Congress should ensure that access of state and local governments to the existing tax-exempt market should not be impaired. NACo supports legislative and regulatory efforts to assist state and local governments in accessing the municipal bond market during times of crises.

Sponsor: Commissioner Daniel Troy, Lake County, OH

General Services Administration Schedule Contracts

Access to General Services Administration schedule contracts provides volume pricing and reduces unnecessary duplication of effort by multiple federal, state and local government contract managers to make public sector procurement more cost-effective. NACo supports total access for local governments to GSA schedule contracts, including access to “green” schedules.

Sponsor: Commissioner Daniel Troy, Lake County, OH

Preemption

Preemption of local authority is a growing concern of the nation’s counties. Federal efforts to dictate implementation of traditional county responsibilities and functions undermine~~s~~ the concept of federalism and ~~is~~ are contrary to the constitutional framework underlying federal/state/local relations. Therefore, NACo opposes any effort by the federal and state governments, or international agreement, to preempt local authorities. Federal preemption of local authority should not be initiated unless there is an overriding national issue and the fiscal impact on local government of such action has been evaluated closely.

<u>Additionally, NACo opposes any federal legislative or regulatory initiatives that would preempt state and local taxing authority by granting federal preferential tax treatment to particular industries.</u>

Sponsor: Commissioner Daniel Troy, Lake County, OH

Deductibility of State and Local Taxes

The federal tax code should retain the deductibility of all state and local taxes, particularly the property tax, and it should reinstate the deductibility of sales taxes. <u>NACo opposes any requirements that place the burden of responsibility on county government to determine and specify on real property tax bills the deductibility of those taxes and also opposes any requirement to report to the Internal Revenue Service the amount of taxes paid by each taxpayer.</u>

Sponsor: Commissioner Daniel Troy, Lake County, OH

<u>Sales and Use Taxes</u>

<u>NACo encourages efforts to reduce the complexity of state and local sales and use tax laws and urges Congress to pass legislation codifying the Streamlined Sales and Use Tax Agreement. NACo also supports granting counties with the authority to enforce the collection of already existing sales and use taxes from remote sellers. These efforts, however, should not be used by the federal government as a means to undermine county government taxing authority and revenue streams.</u>

Sponsor: Commissioner Daniel Troy, Lake County, OH

PROPOSED RESOLUTIONS

Proposed Resolution on the Marketplace Fairness Act

Issue: Marketplace Fairness Act

Proposed Policy: The National Association of Counties (NACo) encourages and supports efforts to permit the collection of sales and use taxes from remote sellers and endorses the Marketplace Fairness Act to provide states with the ability to enforce their existing state and local sales and use tax laws.

Background: For over a decade, NACo has worked with other state and local government representatives to champion the collection of remote sales taxes, emphasizing that the taxes are not new and that the same rules should apply to all retailers, whether they conduct business completely online or in a brick-and-mortar setting. The Marketplace Fairness Act seeks to provide state and local governments with the necessary authority. On May 6, 2013, the Senate passed the Marketplace Fairness Act (S.743) in bipartisan fashion, 69-27. The bill currently awaits House action.

As part of advocacy efforts calling for remote sales tax collection authority, NACo has continuously supported the Streamlined Sales and Use Tax Agreement. The goal of the Agreement is to convince Congress to overturn the Supreme Court decision in Quill v. North Dakota, which denies states and localities the authority to collect sales and use taxes from remote sellers that have no physical presence in the taxing state. States and local governments are losing billions of dollars in uncollected sales tax revenue every year. Accordingly, NACo is appreciative that the Marketplace Fairness Act acknowledges the work and support put into the Agreement by various stakeholders over the years.

However, NACo will continue to be vigilant and urge Congress to refrain from using tax simplification as a vehicle to preempt local taxing authority and revenue streams.

Fiscal/Urban/Rural Impact: A 2009 study from the University of Tennessee estimates that annual national state and local sales tax losses on e-commerce will grow to approximately $11.4 billion in 2012 and will total $52 billion over the six-year period from 2006-2012.

Sponsor: Commissioner Daniel Troy, Lake County, OH

Proposed Resolution Supporting Proposed Legislation in New York to Move the State and Local Primary Election to June so that it Coincides with the Federal Primary Election

Issue: Currently the state holds a federal primary in June and a state and local primary election in September. This is due to a federal court action that ordered the state to hold primary elections for federal office within a timeframe that allows military absentee ballots to be able to be transmitted to and received from overseas voters within time enough to allow the ballots to be counted. The state primaries do not allow compliance with this. Additionally, the state estimates that it will cost an additional $50 million to hold state and local primaries in September. The cost will be borne by local governments, thus it has been and will continue to be a significant unfunded mandate if nothing is done.

Proposed Policy: NACo urges the Legislature and Governor of the State of New York to enact legislation that causes the federal plus the state/local primary election date to be set on the fourth Tuesday in June.

Background: The federal MOVE (Military and Overseas Voter Empowerment) Act requires that military ballots be mailed to military voters at least 45 days prior to an election. In addition, given the requirements to comprehensively test each of the new voting systems in New York prior to each election, the current time frames between the Primary and General Election are inadequate for Boards of Elections to meet their statutory obligations. The New York State Election Commissioners' Association is of the bipartisan opinion that a June primary is the only way to enable the Board of Elections in New York State to comply with the provisions of the MOVE Act.

Fiscal/Urban/Rural Impact: This would save the taxpayers in the State of New York about $50 million during each federal election cycle.

Sponsor: Joseph R. Welch, Election Commissioner, Steuben County, NY

Proposed Resolution on the Single Audit Requirements

Issue: Federal single audit requirements

Proposed Policy: NACo supports efforts to increase the basic minimum requirements on local governments receiving federal assistance, with an additional exception for when federal disaster assistance is the reason that an entity exceeds the threshold.

Background: The current Office of Management and Budget (OMB) proposal is a tiered proposal as follows:

- Raising the threshold for a single audit (from $500,000 to $1 million) would reduce the administrative burden for audited entities and for auditing agencies, allowing the agencies to concentrate their audit oversight and follow-up resources more closely on other entities that are higher-dollar and higher-risk.

- Focusing the single audit requirement (for entities expending between $1 million and $3 million) to two compliance requirements would enable agencies to tighten their scrutiny on the highest risk areas of program oversight while at the same time reducing the burden – for both agencies and recipients – associated with collecting and resolving audit findings in lower risk areas. This would narrow the scope of compliance – related information that agencies receive for entities expending below $3 million.
- Finally, maintaining the full Single audit for entities expending more than $3 million would ensure that agencies still receive full Single Audit compliance information for higher dollar recipients, and that they will be able to shift more resources to provide the necessary level of oversight to those recipients.

The current requirement of $500,000 creates higher administrative costs on agencies to comply with federal regulations, as well as higher auditing costs due to the reporting requirements upon certified public accountants that audit such entities. Therefore, NACo urges Congress and the OMB to increase the requirements to a standard amount in order to promote simplification and to accomplish the goals of reducing the administrative burden on local governments and nonprofits. Based upon the proposed rule change, a standard $2 million threshold would simplify requirements and save compliance costs. An exception regarding federal disaster assistance would insure that governments impacted by natural disasters would not insure higher audit and compliance costs at a precarious time in their recovery efforts.

Fiscal/Urban/Rural Impact: Counties receiving less than $2 million in federal assistance, or who exceed that threshold due to disaster assistance, would save needed funds otherwise spent on complying with federal audit regulations and higher audit costs.

Sponsor: Sandra Stelling, Clerk, Jefferson County, NE

Proposed Resolution Supporting the Establishment of Regional Infrastructure Improvement Zones (RIIZs)

Issue: Infrastructure funding and finance

Proposed Policy: NACo supports legislation that provides for the establishment of Regional Infrastructure Improvement Zones (RIIZs) in federal law.

Background: The infrastructure inadequacies plaguing our communities – crumbling bridges, aging highways, rail, ports, and mass transit, and deteriorating water and sewer systems – are in dire need of maintenance and improvement. However, federal, state and local budgets are under constraints and, according to the U.S. Congressional Budget Office, infrastructure spending has not kept pace with mounting infrastructure demands. In fact, the American Society of Civil Engineers estimates the national infrastructure needs more than $2.2 trillion dollars over the next five years to just to maintain status quo.

Legislation such as the "Regional Infrastructure Improvement Zones Act of 2012" (H.R. 3780) offer a tax deduction for investment (for businesses and individuals) in local/regional infrastructure (transportation, water, wastewater and stormwater) on or consistent with approved regional plans. This legislation upholds and reinforces established local elected decision-making and related processes while driving funding to the local level in urban and rural areas alike. An increase in the amount of funds available for locally approved infrastructure projects through this legislation provides either capital or match dollars for critical improvements that protect the environment, boost the economy and create jobs.

Fiscal/Urban/Rural Impact: Counties directly benefit from infrastructure projects. More opportunities for funding and financing infrastructure will result in an increase in safety, jobs and revenue to counties.

Sponsors: Commissioner Todd Portune, Hamilton County, OH; Commissioner Edwin Humphrey, Clermont County, OH

Proposed Resolution on Social Security Agreements

Issue: Local Governments that did not opt out of Section 218 Social Security Agreements prior to 1983 are permanently bound to pay into Social Security, even when they offer an alternative qualifying retirement system. Newly formed governmental entities have the option of solely participating in a qualified retirement system and not Social Security—this discrepancy has led to a vast unfairness to local governments, employees of local governments, and the citizens those local governments represent who remain bound under Section 218 agreements entered into in the 1950s.

Proposed Policy: Allow for a Stable, Market-Driven Alternative Retirement Transition Option ("SMART Option") window by which Local Governmental Entities may choose to:

a) Continue paying into Social Security; or
b) Continue paying into both Social Security and a Qualifying Retirement System; or
c) Pay only into a Qualifying Retirement System.

These three options are parallel with the choices that newly formed governmental entities currently have. Allowing more choices for the government entity itself, the entity's employees, and the citizens which the entity represents, is a win-win scenario because it saves the taxpayers' dollars and allows for government employees to invest their funds how they see fit. Because most local governments pay into both Social Security and a Qualified Retirement System, this "SMART Option" legislation would allow them to evaluate and address fiscal concerns that remain with Social Security on a local level.

Background: The 1935 Social Security Act did not extend Social Security coverage to state and local government workers. In 1950, Congress added Section 218 to the Social Security Act, which allowed for states to elect Social Security coverage for its employees. All 50 states opted into the Social Security System via Section 218 at that time. Section 218 also allowed local governments to opt into the Social Security System. In 1954 Congress extended Section 218 coverage to additional groups of employees, and in 1956 Congress allowed for divided retirement systems based on groups of employees who voted for or against social security coverage.

Until April of 1983, public employers were able to opt in and out of the Social Security System through Section 218 Agreements. In 1983, amendments to the Social Security Act prohibited public employers participating in the Social Security System from withdrawing that participation.

This year marks the 30 year anniversary of that legislation and it is an appropriate time to consider allowing SMARTer options for local governments.

Fiscal/Urban/Rural Impacts: Allowing local government to opt out of participation in the Social Security System is anticipated to result in increased business to the private investment and retirement plan sectors. It is also anticipated to save government employee and government tax dollars currently spent on Social Security and Social Security matching taxes, respectively. The Social Security system's viability should not be harmed by various local governments ceasing participation as employees of those governments would not be eligible for Social Security benefits associated with payments after the opt out date; however, those employees would remain eligible for Social Security benefits associated with quarters during which they participated in the system. Employees of local governments who opt out of Social Security coverage would reap the greatest reward by gaining greater ability to choose appropriate benefits coverage for their individual needs. In addition, the long term benefits under a qualified alternative retirement plan far exceed the benefits under Social Security.

Sponsor: Colorado Counties, Inc.

Proposed Resolution Supporting the Regulations from the Executive in Need of Scrutiny Act of 2013 (The REINS Act)

Issue: Increase accountability for and transparency in the federal regulatory process.

Proposed Policy: NACo supports passage and implementation of the Regulations from the Executive in Need of Scrutiny Act of 2013 (the REINS Act).

Background: Over time the executive branch of government has assumed more and more authority due to the creation of administrative bureaucracies. Ever increasing volumes of rules created by these bureaucracies are placing unwarranted and excessive burdens on the United States and businesses that make up our market system. Each new regulation tends to further inhibit our effectiveness and success and adversely affects the citizen's ability to prosper, which in turn lowers the revenues needed to fund essential functions of government. Official estimates placed the negative impact of bureaucratic rules and regulations at just shy of $2 Trillion at the end of 2008. As of November 2012, we were adding on average 68 new regulations per day. The purpose of REINS is to provide increased accountability for the most expensive of these regulations. In summary the act:

- Revises provisions relating to congressional review of agency rulemaking to require a federal agency promulgating a rule to include in its report to Congress and to the Comptroller General (GAO) a classification of the rule as a major or non-major rule.
- Requires a joint resolution of approval of major rules to be enacted before such rules may take effect. Provides that if a joint resolution of approval is not enacted by the end of 70 session days or legislative days, as applicable, after the agency proposing the rule submits its report on such rule to Congress, the major rule shall be deemed not to be approved and shall not take effect. Permits a major rule to take effect for one 90-calendar day period without such approval if the President determines it is necessary because of an imminent threat to health or safety or other emergency, for the enforcement of criminal laws, for national security, or to implement an international trade agreement.
- Sets forth the congressional approval procedure for major rules and the congressional disapproval procedure for non-major rules.
- Requires the introduction of a joint resolution addressing a report classifying a rule as a major rule within three legislative days in the U.S. House of Representative and three session days in the U.S. Senate.
- Prohibits any amendments to such a joint resolution at any stage of the legislative process. Provides for expedited consideration of a joint resolution of approval and requires a vote on such resolution in the Senate within 15 session days after it is reported by the committee to which it was referred, or after such committee has been discharged from further consideration of the resolution.
- Allows a court to review whether an agency has completed the necessary requirements under this Act for a rule to take effect. Limits the effect of a joint resolution of approval of a major rule.
- Prohibits an agency from allowing a major rule to take effect without the congressional review procedures set forth in this Act.

- Amends the Balanced Budget and Emergency Deficit Control Act of 1985 to provide that any congressional approval procedure set forth in this Act affecting budget authority, outlays, or receipts shall be assumed to be effective unless it is not approved in accordance with this Act.

Fiscal/Urban/Rural Impact: There will be significant and unwarranted impacts to local government budgets from over-burdensome federal regulation if the REINS Act is not enacted into law.

Sponsor: Commissioner Doug Heaton, Kane County, UT

Proposed Resolution Supporting Uniform Rating System for All Securities

Issue: Federal legislation ensuring uniform and accurate credit ratings of municipal bonds.

Proposed Policy: NACo supports legislation that requires nationally recognized statistical rating organizations to establish, maintain, and enforce written policies and procedures designed to apply rating symbols in a consistent manner for all types of securities and money market instruments.

Background: The passage of the Dodd-Frank Act provided for credit rating agencies to use universal rating symbols for all debt instruments. NACo supported these efforts. As the SEC develops regulations to enforce this section of the law, NACo will work to ensure that the rules are developed fairly and meet the intent of the law – which is to maintain the same symbols and criteria for all debt products, whether they are issued in the corporate or municipal sectors. The use of "uniform and accurate credit rating(s)" for all securities will result in lower borrowing costs and make it easier for new investors to participate in the municipal securities market.

Fiscal/Urban/Rural Impact: The use of uniform and accurate crediting ratings will lower the cost of borrowing and save taxpayers money.

Sponsor: Commissioner Daniel Troy, Lake County, OH

HEALTH

PROPOSED RESOLUTIONS

Proposed Resolution Supporting Development and Expansion of Parity for Mental Health and Substance Use Disorders under the Affordable Care Act

Issue: Parity for mental health medical coverage for newly-insured populations under the Affordable Care Act (ACA).

Proposed Policy: NACo supports implementation of the ACA so as to ensure access to the highest quality mental health and substance use disorder services for newly-insured populations.

Background: On March 23, 2010, President Obama signed the ACA, comprehensive health care reform legislation promising to extend coverage to 33 million Americans. Of note to the behavioral health community, the ACA explicitly includes mental health and substance use disorder services, including behavioral health treatment, as one of ten categories of service that must be covered as essential health benefits. Furthermore, the ACA also mandates that mental health and substance use disorder benchmark coverage must be provided at parity, compliant with the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008. Individuals with mental illness and substance use disorders have the opportunity to significantly benefit from the health care law, as insufficient insurance health care coverage for these conditions has traditionally prevented countless people from obtaining needed treatment. With the passage of ACA many adults with mental health needs will become eligible for health insurance coverage in 2014 and for the first time qualified individuals will have access to mental health and substance use disorder services through Medicaid expansion or subsidized insurance.

Mental health and substance use disorder systems must be equal partners with physical health care systems. Given the low rate of service utilization among uninsured adults with mental health and substance use disorder needs, the expansion of health insurance coverage through health care reform will increase access to and utilization of mental health and substance use disorder services for many uninsured adults. The aim of the ACA is to ultimately reduce the cost of healthcare delivery to the entire population. In order to more effectively care for the whole person, there must be more seamless coordination between system partners, and all health plans must cover an adequate level of service for behavioral health care intervention and treatment. Coordination of mental health, substance use, and primary care is essential to ensuring quality care and realizing cost savings and to reduce barriers to the exchange of information necessary to appropriately coordinate care, improve quality, and address confidentiality.

In addition, community-based interventions are essential to realize the ultimate goals of a more integrated and equitable system of care. Counties are providing services during a historic change to the structure and function of federal, state, and local governments. Local programs are leading the development and implementation of services resulting from healthcare reform; realignment of federal, state, and local funding; and other economic restructuring. Counties are in the best position to recognize and teach new proactive models that are emerging in integrated healthcare, collaborations between child welfare and mental health, and local criminal justice and substance use co-occurring populations.

Counties are piloting and building the evidence base for a system of care for prevention, early intervention, treatment and recovery services. Coordinated outreach programs between county behavioral health professionals and local schools and community colleges intervene with adolescents and young adults experiencing first psychotic breaks, depression, and other behavioral health needs. These interventions assess and link youth directly to mental health services and treatment. Programs that partner behavioral health professionals with law enforcement in the field through mobile support teams and other primary intervention strategies should be part of core essential services. Funding approaches must support comprehensive approaches that coordinate prevention and early intervention strategies with ongoing treatment and recovery.

Fiscal/Urban/Rural Impacts: Benchmark coverage at parity in compliance with the Wellstone-Domenici Parity and Equity Act, as required under the ACA, will create additional fiscal needs. Additional costs need to be determined as the Act is implemented.

Sponsor: Supervisor Shirlee Zane, Sonoma County, CA

Proposed Resolution on the National Conversation on Mental Health

Issue: County role in the National Conversation on Mental Health.

Proposed Policy: NACo supports the goals of the Administration's effort to launch a national conversation to increase understanding and awareness about mental health and to identify ways to reduce stigma, and to expand coverage and improve access to mental health services, especially for young people and veterans. NACo calls on the Administration to recognize counties as essential partners these efforts and for counties to be engaged and invited to the table as national and local conversations are developed and implemented.

Background: The Administration has called for a National Conversation on Mental Health. The effort was kicked off with a White House Conference on Mental Health and plans for regional follow-up conversations across the country. Given that 750 county-based behavioral health authorities administer public mental health and substance abuse systems at the local level, and that counties also administer local youth and child welfare services and run local criminal justice and public safety systems, counties should be engaged at the local level in planning and conducting these conversations. Likewise, state associations of counties should be engaged at the state level and NACo should be engaged at the national level.

Fiscal/Urban/Rural Impact: Improved coverage and access to needed behavioral health care services will reduce pressure on county systems, especially costly emergency room care and jail services.

Sponsor: Supervisor Linda Langston, Linn County, IA

Proposed Resolution Supporting Provisions of the Affordable Care Act that Help County Safety Net and Behavioral Health Programs

Issue: Essential need to implement key features of the Patient Protection and Affordable Care Act of 2010 (ACA)

Proposed Policy: NACo supports full funding for, and implementation of, the provisions of the ACA that help counties meet the service needs of low income and disabled populations. Specifically, NACo supports maintaining and expanding affordable health coverage and benefits to uninsured and underinsured residents who rely on county health care delivery systems – including the Medicaid maintenance of effort (MOE) requirements and the scheduled Medicaid expansion. NACo also supports the ACA's provisions to improve care coordination to ensure that everyone has a medical/health home for efficient, accessible and cost-effective care; to improve access to preventive care and health promotion for underserved populations; and to promote the use of peer supports and counselors, together with effective care coordination that spans health and social support services.

Background: Key features of the ACA are fully compatible with and supportive of the operations of county safety net agencies including local behavioral health and developmental disability authorities, and promote the coordination and integration of behavioral health and primary care, with the goal of demonstrating the best care and recovery of consumers served by these systems; they support the stability and expansion of the Medicaid program in a manner that does not place a financial burden on state, county and local authorities; they promote care coordination across federal programs that serve persons with disabilities; and they extend mental health and substance use care parity legislation to all private and public health plans.

Fiscal/Urban/Rural Impact: In the short-term, these policies will require additional federal resources. However, over the longer run, this investment will pay off in better health outcomes for low-income populations and a greater contribution of persons with disabilities to the economic recovery and productivity of the United States. Although the impact of these policies will be great in urban areas, we expect them to be even greater in rural areas, where such services are currently very sparse.

Sponsor: National Association of County Behavioral Health and Developmental Disability Directors

Proposed Resolution on Responding to the Behavioral Health Needs of Our Returning Veterans

Issue: Behavioral health needs of returning veterans

Proposed Policy: NACo will undertake steps to assure that:

- U.S. Department of Veterans Affairs (VA) funds are made available to reimburse counties for the services provided to veterans eligible for VA services and for services provided to veterans awaiting determination of eligibility.
- VA funds are made available to reimburse services provided to veterans eligible for VA services by public and private providers under contract with the VA.
- U.S. Department of Defense (DOD) funds are made available to reimburse counties for the services provided to veterans eligible for DOD services.
- Appropriate county level data are available so that counties know how many veterans are returning to their local areas.
- Appropriate legislation and guidance from the Administration are available to correct gaps and deficiencies in the DOD and VA service delivery systems.

Background: Large numbers of our military veterans returning from Iraq and Afghanistan have major mental health and substance use conditions when they arrive in the United States. Of the estimated 1.5 million who have served in these conflicts, approximately 400 thousand to 500 thousand suffer from these conditions. Once they are released from active duty, many of these veterans either refuse to use available DOD or VA services, or they are located where these services are not available. As a consequence, the financial and staff burden of providing services to many of these veterans falls to local county systems of care.

This resolution is an effort to address the problem of our returning military veterans directly. Numerous reports from our county mental health and substance use directors indicate that the number of veterans needing county services is growing dramatically, even before the full draw-down from Iraq and Afghanistan.

Fiscal/Urban/Rural Impact: In the short term, these policies will only require reprogramming of current federal resources, rather than allocation of new resources. However, over the longer run, this investment will pay off in a greater contribution of veterans to the economic recovery and productivity of the United States. Although the impact of these policies will be great in urban areas, we expect them to be even greater in rural areas, the home of many veterans.

Sponsor: National Association of County Behavioral Health and Developmental Disability Directors

Proposed Resolution on Essential Support for Services for Persons with Behavioral Health and Developmental Disabilities

Issue: Close coordination across health and social service programs.

Proposed Policy: Care coordination across federal programs that serve persons with disabilities should be fully maintained for current beneficiaries and expanded appropriately to serve the disability population newly insured through the Affordable Care Act (ACA). Social service programs, particularly affordable housing and job training, should be expanded so that persons with disabilities can become and remain fully independent in their home communities.

Background: Close coordination across health and social service programs is essential to assure the effectiveness of care and supports for persons with disabilities. County behavioral health and developmental disability authorities are concerned that federal care and support programs should be available to persons with disabilities, including the newly insured, in the post ACA environment, and that care coordination should be available to make them operate efficiently. Health services are less effective and more costly when needed social services are either not available or are not coordinated well. These tools are also very important so that persons with disabilities can live independent lives in their own communities.

Fiscal/Urban/Rural Impact: In the short-term, these policies will require additional federal resources**.** However, over the longer run, this investment will pay off in a greater contribution of persons with disabilities to the economic recovery and productivity of the United States. Although the impact of these policies will be great in urban areas, we expect them to be even greater in rural areas, where such services are currently very sparse.

Sponsor: National Association of County Behavioral Health and Developmental Disability Directors

Proposed Resolution on Nurse Home Visitation Programs

Issue: Nurse home visitation programs

Proposed Policy: NACo recognizes the importance of evidence-based nurse home visitation programs that serve low-income parents, pregnant women and young children. NACo supports the premise that parents need access to public health resources to promote a healthy environment for their families. NACo supports adequate funding, including Medicaid funding, for all nurse home visitation programs that benefit families.

Background: Home-visitation programs have been around for years, not only in the United States, but in most industrialized nations. Home visitation was initiated in the United States in the late 19th century with public health nurses and social workers providing in-home education and care to women and children, primarily in poor urban communities. Specialty programs were started that focused on specific problems such as premature or low-birth-weight infants, children with developmental delays, teenage parents and families at risk of child abuse or neglect. Dr. David L. Olds initiated the Nurse-Family Home Visitation program (mid-1970s) designed to help low-income, first-time parents start their lives on a sound course and prevent the health and parenting problems that can contribute to early development of anti-social behavior.

These behaviors are associated with youth crime and delinquency, child abuse, maternal substance abuse, and maternal criminal involvement. About ten years later, Dr. C. Henry Kempe suggested that to ensure the right of every child to comprehensive care, every pregnant woman should have the opportunity to a health visitor who would work with the family until the child began school. Insurance companies declined to pay for this service because it lacked evidence to support its effectiveness.

The Elmira study shows average family net costs to the government for nurse-visited and non-visited groups. Over the first 15 years of the study (child's life), the use of Aid to Families with Dependent Children (now Temporary Assistance for Needy Families), Medicaid, food stamps, foster care, and emergency room visits was substantially lower in families with home visitation than in non-visited families. The nurse-visited group used $56,000 (2001 dollars) less per family in government services than did the non-visited group. The nurse - visited group paid $8,300 more in taxes per family than the non-visited group which resulted in a 393 percent recovery of dollars invested in the program in the child's 15th year. The lower the social-economic-status of the family the higher the recovered visitation program costs. The Rand Corporation evaluated the economic impact of the Elmira, New York nurse home visitation program. For every dollar spent on the home visits, four dollars were saved in reduced welfare and criminal justice expenditures and in increases in tax revenues. This study did not feel full cost-benefit could be analyzed because numerous benefits to society such as reductions in child abuse and neglect and crime and improvements in children's behavior cannot be cost-estimated easily.

There are several more evidence-based nurse home visitor programs in the United States. Many are unique to a specific state such as Prenatal-Plus in Colorado, Nurses for Newborns in Tennessee and First Born in New Mexico.

Fiscal/Urban/Rural Impacts: Poverty is the biggest obstacle to opportunity for children. Nurse home visitation programs are crucial particularly in rural areas where poverty rates are higher and employment opportunities at a supportable wage are fewer. These programs assist families to complete education, reduce dependence on welfare benefit programs, improve birth outcomes, and save money.

Sponsor: National Association of County and City Health Officials

Proposed Resolution Supporting Efforts in the Prevention and Treatment of Obesity and Overweight

Issue: Reduce obesity and overweight and improve wellness.

Proposed Policy: NACo recognizes obesity and overweight as conditions that can persist from childhood to adulthood, that are associated with chronic disease, and that cause preventable and premature deaths in adults, adolescents and children. NACo supports local public health department leadership in obesity and overweight prevention.

Background: According to the National Center for Health Statistics, 66 percent of adults 20 years of age and older are overweight and 32 percent are obese. In addition, almost five percent of adults are extremely obese. From 1980 to 2004, the prevalence of obesity among adults increased from 15 percent to almost 33 percent. Being either obese or overweight increases an individual's risk for developing medical conditions including, but not limited to, hypertension, Type 2 diabetes, coronary heart disease, stroke and some cancers. Approximately 17 percent of children and adolescents (ages two to 19) are overweight. Furthermore, the percentage of overweight children two to five years of age increased from seven percent to almost 14 percent and the percentage of overweight children six to 11 years of age increased from 11 percent to 19 percent between 1994 and 2004. Also during this period, there was an increase in the percentage of overweight adolescents aged 12 to 19 years of age from 11 percent to 17 percent. Overweight children and adolescents are at an increased risk for developing risk factors associated with cardiovascular disease, such as high cholesterol, high blood pressure, asthma, and Type 2 diabetes. In addition, these children and adolescents are at an increased risk for psychosocial problems, such as low self-esteem, due to social discrimination. Obesity and overweight in children and adolescents are strongly correlated with obesity and overweight in adulthood. One study found that approximately 80 percent of children who were overweight at ages 10-15 years old were obese adults at age 25.3.

In 2003 approximately $75 billion in medical expenditures were attributed to obesity, half of which were financed by Medicare and Medicaid. Certain races and ethnicities are at an increased risk for obesity and overweight. Among adults, approximately 45 percent of non-Hispanic blacks and 37 percent of Mexican-Americans were obese, as compared to 30 percent of non-Hispanic white adults. Furthermore, in industrialized countries an individual from a low socio-economic status (SES) group is more likely to be obese than someone from a high-SES group.

Fiscal/Urban/Rural Impact: Significant long term benefits for quality of life and reduced chronic disease costs in rural and urban communities.

Sponsor: National Association of County and City Health Officials

Proposed Resolution on Pandemic and All-Hazards Preparedness

Issue: Local health departments play a vital role in promoting and maintaining the nation's health and security. They have legal authorities and perform preparedness functions and duties to ensure the safety and well-being of counties in the face of potential public health emergencies.

Proposed Policy: To ensure the public's health and safety, NACo urges the Administration and Congress to provide adequate funding through the reauthorization of the Pandemic and All-Hazards Preparedness Act (PAHPA) to build and sustain local infrastructure for public health emergency preparedness.

Background: Local health departments prepare communities for disasters, respond when emergencies occur, and lend support throughout the recovery process. Local health departments work with all community sectors – government officials, law enforcement, emergency management, health care, business, education, and religious groups – to plan, train, and prepare for emergencies so that when disaster strikes, everyone is prepared. Since all disasters strike locally, local health departments are a critical part of any community's first response to disease outbreaks, emergencies and acts of terrorism. Following is the role of local health departments in preparedness:

- **Preparation:** Provide specialized training and exercises of local health and emergency response personnel to quickly receive, store, stage, distribute, and dispense Strategic National Stockpile (SNS) assets. Identify populations that may be at higher risk for adverse health outcomes, address their needs and implement plans that support their ability to be resilient in the face of emergencies. Prepare risk communication messages for the public to promote resilience and assure compliance with health protective actions.
- **Protection:** Maintain laboratory systems with a capacity for 24/7 receipt of potentially hazardous specimens and the capability to screen and test for a broad range of public health threats. Provide immunizations during public health incidents such as influenza pandemics.
- **Effective Response:** Prepare for a surge on healthcare facilities through the preparation of public health and healthcare providers to triage and treat victims of disasters. Recruit, train, coordinate and mobilize volunteer public health and healthcare professionals.
- **Recovery:** Issue interim guidance to the public on risk and protective actions. Prepare for evacuation, repatriation and receipt of evacuees from sites of incidents.

Fiscal/Urban Rural Impact: All-hazard preparedness will require a response in all jurisdictions, whether they are urban or rural. This resolution asks for increased federal funding for local public health all-hazard preparedness.

Sponsor: National Association of County and City Health Officials

Proposed Resolution Endorsing the Vision and Goals of the National Prevention Strategy

Issue: Support for the National Prevention Strategy

Proposed Policy: NACo endorses the overarching vision and goal of the National Prevention Strategy and will support actions and promote policies that support its effective implementation across all levels of government and in communities.

Background: Pursuant to the Affordable Care Act, the President established a National Prevention, Health Promotion, and Public Health Council, known as the National Prevention Council, chaired by the U.S. Surgeon General and composed of seventeen federal department and agency heads charged with promoting prevention and wellness. The National Prevention Council is responsible for coordinating and leading prevention, wellness, and health promotion efforts across the federal government and the nation.

The President also appointed members of the Advisory Group on Prevention, Health Promotion, and Integrative and Public Health – including two county officials – to offer a non-federal perspective on policy and program recommendations to the National Prevention Council and advise them on effective, science-based prevention and health promotion practices.

The National Prevention Council has developed a National Prevention and Health Promotion Strategy, known as the National Prevention Strategy, to lay out the most effective and achievable means for improving the health of Americans through prevention and health promotion policies and programs, to align prevention and health promotion priorities across the federal government and to recommend the most effective actions the nation can take to accelerate prevention of leading causes of death and disability in the United States. The National Prevention Strategy envisions working together to improve the health and quality of life for individuals, families, and communities by moving the nation from a focus on sickness and disease to one based on prevention and wellness with a goal of increasing the number of Americans who are healthy at every stage of life. It identifies four strategic directions that are the foundation for all prevention efforts and form the basis for a prevention oriented society. The strategic directions are Healthy and Safe Community Environments; Clinical and Community Preventive Services; Empowered People and Elimination of Health Disparities which are each needed to fully support Americans in leading longer and healthier lives. The Strategy's seven priorities include Tobacco-Free Living; Preventing Drug Abuse and Excessive Alcohol Use; Healthy Eating; Active Living; Injury and Violence-Free Living; Reproductive and Sexual Health; and Mental and Emotional Well-Being.

Fiscal/Urban/Rural Impact**:** Implementation of the strategy does not assume significant additional investments. It will have urban, suburban and rural applications.

Sponsor: National Association of County and City Health Officials

Proposed Resolution on Changing Nursing Home Oversight to Support and Promote Culture Change

Issue: Regulatory barriers to improving nursing home culture

Proposed Policy: NACo urges the Centers for Medicare and Medicaid Services (CMS) to remove barriers and regulations that hinder providers from making transformative environmental, administrative and care practice changes that promote positive outcomes to resident and family satisfaction and improved quality of care and quality of life.

Background: The current survey and certification system for nursing homes supports but does not widely promote transformative change in how services are provided. The philosophy that drives operational decisions away from institutional practices and toward practices that both improve quality of care and quality of life is dampened by the current survey, certification and life safety code processes.

In 1991, Dr. Bill Thomas, a Harvard-educated physician founded the Eden Alternative. The Eden Alternative along with many other organizations and models now work to assist providers to remake the aging experience in thousands of nursing homes across the country. Over 16 years later, in a 2007 report, The Commonwealth Fund conducted a national study of nursing homes and found that 56 percent of nursing homes surveyed still viewed regulation as a major or minor barrier to change.

Fiscal/Urban/Rural Impact: Changing Nursing Home culture engages all facility staff in a total transformation of thinking and practice. The systematic rebuilding of resident-directed approaches to care, responsive to residents' individual life experiences and needs, leads to many improved outcomes. Facilities that incorporate some aspects of culture change noted their initiatives yielded benefits such as improved staff retention, higher occupancy rates, better competitive position, and improved operational costs. Moreover, the most important positive outcome may be improved resident and family satisfaction.

Sponsor: Chester Pintarelli, Director, Medical Care Facility, Iron County, MI

Proposed Resolution on Persistent Health Disparities

Issue: Persistent health disparities

Proposed Policy: NACo supports legislation to reduce health disparities and address the social determinants of health, increase the diversity and cultural and linguistic competencies of the health workforce, and improve environmental justice. This must include significant direct federal funding for counties to implement programs designed to reduce disparities, by direct service delivery and in partnership with providers.

Background: Disparities in health outcomes for vulnerable populations as defined by race/ethnicity, socio-economic status, geography, gender, age, disability status, risk status related to sex and gender have been well documented and are well understood by county officials. These vulnerable populations disproportionately experience worse health and safety outcomes across a broad spectrum of illnesses, injuries, and treatments. These disparities are likely to be exacerbated during a prolonged recession.

Fiscal/Urban/Rural Impact: Large federal investments will be required to eliminate health disparities in urban and rural communities where they tend to be the most acute.

Sponsor: National Association of County and City Health Officials

Proposed Resolution Supporting Repealing and Replacing the Medicare DMEPOS Competitive Bidding Program

Issue Statement: The Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program threatens small, rural home medical equipment supplier businesses and access to home care for beneficiaries in rural counties.

Proposed Policy: NACo opposes the DMEPOS Competitive Bidding Program and calls for repeal of the program. NACo supports the alternative Market Pricing Program (MPP), an improved bidding system developed the medical equipment industry and supported by economists. The MPP will cut Medicare rates for home medical equipment to a responsible level and allow all providers to participate at those rates regardless of the bidding process.

Background: In 2010, the Centers for Medicare and Medicaid Services (CMS) required home medical equipment providers in nine metropolitan areas of the country to participate in an auction process for Medicare contracts. The providers submitted bids for multiple products in nine product categories including oxygen, wheelchairs, enteral nutrients, continuous positive airway pressure devices, hospital beds, walkers, support surfaces and negative pressure wound therapy pumps.

Supporters of the program claim that rural America is “carved out” of the program; however beneficiary complaints and anecdotes indicate otherwise. CMS currently denies the existence of widespread beneficiary complaints and will carry the program forward to 91 additional metropolitan areas in July 2013.

The advocacy group People for Quality Care has received several complaints from beneficiaries in rural areas who are now forced to work with providers more than 100 miles from their homes. In many cases, the winning providers are located many states away from beneficiaries. Beneficiaries report long waits for repairs and acquisition of equipment such as a wheelchair battery. Oxygen users in small towns surrounding large metropolitan areas report they are instructed to check into a hotel with their oxygen concentrators in case of a power outage. They report fewer visits from providers who are working under steep cuts to Medicare reimbursement rates that range from 40-70 percent.

A study conducted by economist Ken Brown of the University of Northern Iowa predicts that small, independent medical equipment providers in rural states will suffer from the bidding system, which favors large DME supplier bid-winners. He predicts the consolidation of rural branches and widespread business failure.

The Market Pricing Program Act of 2012 received support from 94 co-sponsors before it died in December of 2012. Rep. Tom Price of Georgia has announced intentions to re-introduce the bill for the 113th Congress.

Fiscal Rural Impact: 40-50 percent loss off DME businesses in rural states due to the consolidation of national and independent companies. This will result in substantial job loss, business loss and poorer quality of care for residents of rural counties. Rural counties in particular need to defend their local business enterprise and encourage the support of this by the federal government as well. Rural citizens may also find it more difficult to acquire well priced medical devices in a timely manner under this rule.

Sponsor: Supervisor Linda Langston, Linn County, IA

Proposed Resolution on Health System Reform

Issue: Health system reform

Proposed Policy: NACo supports implementing and improving the Patient Protection and Affordable Care Act and the Health Care and Education Affordability Reconciliation Act – collectively known as the Affordable Care Act (ACA) – through regulation and additional legislation in such a way as to restore the partnership between the federal government and counties as outlined in the health chapter of NACo's American County Platform and Proposed Resolutions and as summarized in the white paper, "Restoring the Partnership for American Health: Counties in a 21st Century Health System."

Background: NACo's Health System Reform Working Group, appointed by then President Don Stapley in July 2008 and chaired by then President-Elect Valerie Brown, reviewed and refined NACo's health reform policies and priorities. The working group held three regional hearings: in Maricopa County, Arizona, in December 2008; in Wake County, North Carolina, in February 2009; and in Sacramento County, California in April 2009. It summarized its findings to date in the white paper. NACo will continue to engage the Administration and the Congress to achieve these goals and priorities:

Restoring the Partnership for American Health - Counties in a 21st Century Health System Full Partners: County governments are integral to America's current health system and will be crucial partners in achieving successful reform. At the most basic level, county officials are elected to protect the health and welfare of their constituents. County governments set the local ordinances and policies which govern the built environment, establishing the physical context for healthy, sustainable communities. County public health officials work to promote healthy lifestyles and to prevent injuries and diseases. Counties provide the local health care safety net infrastructure, financing and operating hospitals, clinics and health centers. County governments also often serve as the payer of last resort for the medically indigent. County jails must offer their inmates health care as required by the U.S. Supreme Court. Counties operate nursing homes and provide services for seniors. County behavioral health authorities help people with serious mental health, developmental disability and substance abuse problems that would have nowhere else to turn. As employers, county governments provide health benefits to the nearly three million county workers and their retirees nationwide. Clearly, county tax payers contribute billions of dollars to the American health care system every year and their elected representatives must be at the table as full partners in order to achieve the goal of one hundred percent access and zero disparities.

Local Delivery Systems-Access for All: NACo believes that reform must focus on access and delivery of quality health services. Coverage is not enough. County officials, particularly in remote rural or large urban areas know that even those with insurance may have difficulty gaining access to the services of a health care provider, which can be exacerbated by the severity of their illness. Insurance carriers participating in public programs should be required to extend coverage into rural areas and to contract with local providers. Local delivery systems should coordinate services to ensure efficient and cost-effective access to care, particularly primary and preventive care, for underserved populations. County governments are uniquely qualified to convene the appropriate public and private partners to build these local delivery systems in a way that will respect the unique needs of individuals and their communities. A restored federal commitment to such partnerships is necessary for equity's sake.

Public Health and Wellness: NACo believes that a greater focus on disease and injury prevention and health promotion is a way to improve the health of our communities and to reduce health care costs. Disease and injury prevention and health promotion services can be delivered by a health care professional one patient at a time. Local health departments, in partnership with community-based organizations and traditional health care providers, deliver community-based prevention services targeted at an entire population. Population-based prevention services can save money by keeping people healthy and reducing the costs of treating unchecked chronic disease. These critical services include assessment of the health status of communities to identify the unique and most pressing health problems of each community and health education to provide individuals with the knowledge and skills to maintain and improve their own health. The public health response to emergencies should be fully integrated into each county's emergency management plan. Local public health considerations likewise should be systematically integrated into land use planning and community design processes to help prevent injuries and chronic disease. Policies are also needed to address health inequity, the systemic, avoidable, unfair and unjust differences in health status and mortality rates, as well as the distribution of disease and illness across population groups. Investing in wellness and prevention across all communities will result in better health outcomes, increased productivity and reduce costs associated with chronic diseases.

Expanding Coverage: NACo supports universal health insurance coverage. Existing public health insurance systems should be strengthened and expanded, including Medicare, Medicaid and the State Children's Health Insurance Program (SCHIP). As states and counties attempt to shoulder their legislatively mandated responsibilities to provide care for the indigent and uninsured, federal regulatory barriers should be removed to allow flexibility and innovation at the local level. Restrictions on the expansion of County Organized Health Systems should be lifted and they should be authorized to serve as a public plan option in their service areas. Furthermore, in the effort to expand coverage, reformers should not forget that the coverage must be meaningful, without imposing additional mandates on county governments. The benefit package must be defined so as to provide the full range of services people need, including prevention services, pharmaceuticals, dental, full parity for behavioral health, substance abuse and developmental disability services. Barriers to cost-effective treatments, like living organ donation, should be removed.

Maintaining a Safety Net: NACo believes that the intergovernmental partnership envisioned in the Medicaid statute should be restored and strengthened. Medicaid reimbursement rates should be enhanced and increases to the Medicaid federal medical assistance percentage (FMAP) should be passed through to counties contributing to the nonfederal share. Local safety nets, supported by Medicaid and disproportionate share hospital (DSH) payments, should not be dismantled to "pay for" universal coverage. We must not allow the safety net infrastructure to be undermined. County hospitals and health systems provide surge capacity, emergency and trauma services and other critical high cost services like neonatal, HIV/AIDS and burn care. Safety net hospitals will continue to need extra support to carry out their missions, including addressing health disparities. Health care is not just coverage; it is also access, and it is the safety net hospitals where translation services for hundreds of languages can be found.

DSH payments address two otherwise unreimbursed costs: (1) services provided to the uninsured and underinsured; and (2) Medicaid reimbursement rates that pay less than the cost of providing health services. It is too early to predict the net effect of Medicaid expansion and reimbursement reform. In addition, unfortunately, there will always be some individuals who will remain uninsured. These and other at-risk populations financed by DSH are unlikely to be among the groups to be covered in the initial stages of reform. All individuals, including the uninsured, should receive treatment and DSH supports that care. Therefore, DSH payments should not be phased out or down until health care reform is fully implemented and its effects on DSH payments can be accurately assessed. Assumptions should not be made that DSH can be cut by any arbitrary amount on some arbitrary timeline during the implementation of health care reform.

Health Workforce: NACo believes that the health professional and paraprofessional workforce must be supported and enhanced. It is important that we sustain training programs and sites of service that enable us to develop a complement of health professionals that can address the needs of a changing, growing and aging population.

Public hospitals have often been teaching hospitals. The sites of service include hospitals, outpatient clinics, and community health centers. These settings provide access for patients seeking care, and a diverse set of patient conditions and cultures that make for a comprehensive learning experience. Reasonable medical education funding is an integral part of the business model of these institutions.

Every effort should be made to recruit, train, license and retain health professionals, and allied professionals and paraprofessionals, on an expedited basis. A large body of evidence supports the contribution of direct care staff, nurses and nursing assistants to quality outcomes. Funding for existing education and training programs – in secondary, post-secondary and vocational educational settings – should be increased and targeted towards initiatives to expand and diversify the health workforce. Partnerships between local economic developers and workforce development professionals should be encouraged to meet growing health care sector demand. Targeted incentives including scholarships, loan forgiveness and low-interest loan repayment programs should be developed to encourage more providers to enter and remain in primary care and public health careers. Primary care providers should be empowered to – and compensated for – case management services.

Health IT: The federal government should support the integration of health information technologies into the local health care delivery system. NACo supports the President's goal of implementing a nation-wide system of electronic health records in five years. NACo supports efforts to promote the use of a range of information technologies to facilitate appropriate access to health records and improve the standard of care available to patients, while protecting privacy. This includes deployment of broadband technologies to the widest possible geographic footprint. Other tools facilitate evidence-based decision making and e-prescribing. Using broadband technologies, telemedicine applications enable real-time clinical care for geographically distant patients and providers. Remote monitoring can also facilitate post-operative care and chronic disease management without hospitalization or institutionalization.

Long-Term Care: Federal policies should encourage the elderly and disabled to receive the services they need in the least restrictive environment. Since counties provide and otherwise support long term care and other community based services for the elderly and disabled, state and federal regulations and funding programs should give them the flexibility to support the full continuum of home, community-based or institutional care for persons needing assistance with activities of daily living. Nursing home regulatory oversight should be reformed in order to foster more person-centered care environments.

Jail Health: Reforming America's health care system must include reforms to its jail system. Counties are responsible for providing health care for incarcerated individuals as required by the U.S. Supreme Court in Estelle v. Gamble, 429 U.S. 97 (1976). This unfunded mandate constitutes a major portion of local jail operating costs and a huge burden on local property tax payers. The federal government should lift the unfunded mandate by restoring its obligation for health care coverage for eligible inmates, pre-conviction. Furthermore, a true national partnership is needed to divert the non-violent mentally ill from jail and into appropriate evidence-based treatment in community settings, if possible. Finally, resources should be made available to counties to implement timely, comprehensive reentry programs so that former inmates have access to all the health and social services, including behavioral health and substance abuse treatment, to avoid recidivism and become fully integrated into the community.

Fiscal/Urban/Rural Impact: Large investments will be required from the federal government in order to achieve a more equitable health system, but benefits could also be very large.

Sponsor: Commissioner Larry Johnson, DeKalb County, GA

Proposed Resolution Supporting Ongoing Federal Support for Local Safety Net Providers

Issue: Need to maintain strong health care safety net system as the Affordable Care Act (ACA) is implemented

Proposed Policy: NACo urges the federal government to ensure the availability of adequate and sustainable funding for safety net providers as they continue to care for the uninsured.

Background: NACo supports maintaining a strong safety net for the uninsured residual and vulnerable populations as the ACA is implemented. The ACA will increase access to health care coverage through expansion of the Medicaid program, the creation of health insurance exchanges, insurance market reforms, and the provision of subsidies and tax credits to make private coverage more affordable. Since 2010, the number of insured individuals has grown from 46 million to 50 million. While the ACA is projected to provide health coverage to approximately 32 million residents nationally, over 18 million individuals are projected to remain without access to health coverage, mostly the undocumented who are ineligible for financial assistance and expanded Medicaid coverage.

Traditional safety net providers including health centers, clinics, behavioral health organizations, and hospitals that currently serve a high share of uninsured patients will continue to play a critical role in the health care delivery system, by serving those who will remain uninsured as the ACA is implemented. This points to the need of increasing the efficiency of federal funds reimbursement, preserving federal block grant funding and other revenue for county mental health and substance use disorder services.

Critical to carrying out this role will be efforts around community outreach, enrollment, retention and advocacy in order to keep individuals, children, and families connected to a prevention-focused, quality health home and integrated system of care. In addition, homeless outreach services, mobile response programs, services to children and youth in specialized foster care, veterans, support for housing stability, recovery maintenance homes, and field-based services will be crucial services. These services are key to addressing social determinants of health and are an integral component of specialty mental health and substance use disorder systems.

Steps need to be taken to ensure adequate funding for the safety-net system post reform and the continued delivery of high quality health care services to vulnerable populations. The federal government must align reductions in funding, such as Disproportionate Share Hospitals payments, to comport with reductions in uncompensated care costs. Minimum benefit packages offered through state-run exchanges must be sufficient to ensure that cost shifts to safety net providers do not occur.

Fiscal/Urban/Rural Impact: The need for an adequate and sustainable funding source for safety net provides occurs in rural, suburban, and urban counties. Without this support and infrastructure, a significant cost could fall to local governments.

Sponsor: Supervisor Shirlee Zane, Supervisor, Sonoma County, CA

Proposed Resolution Supporting Charity Care Requirements for Non-Profit Health Care Facilities

Issue: Charity care requirements for non-profit and tax-exempt health care facilities.

Proposed Policy: NACo supports imposing charity care requirements on non-profit and tax-exempt health care facilities, including standards that measure facilities' access to and utilization of tax-exempt capital, to objectively determine the amount of actual health care providers tender to those in need against the value of tax exemptions that the facilities receive.

Background: County governments across the United States of America are the health care providers of last resort for the most vulnerable indigent and uninsured residents in our neighborhoods and communities. NACo, in efforts to ensure less cost shifting to county governments, supports federal policies, such as adequate Medicaid funding, to assist in providing health care coverage to such residents and reimbursing county health providers for treatment rendered to our nation's most critical populations. Stable and adequate Medicaid funding, in tandem with how other providers assist in caring for uninsured individuals, directly affects county budgets, local taxpayers who fund government operations and those who rely on public and non-profit providers for their health care needs.

The United States Congress and many states and counties have considered or addressed issues related to charity care and tax exemptions, seeking to establish fair but objective benchmarks against which hospitals would be measured to determine the granting or renewing of tax exemptions for providing actual charity health care to those in need. Without objective standards to determine the amount of actual charity health care non-profit and tax-exempt health care facilities provide to members of their neighborhoods and communities, county governments cannot accurately access the performance of health care facilities receiving tax exemptions funded by county government taxpayers. The following issues should be considered in crafting appropriate charity care standards: definitions of “charity care” for the purposes of tax exemption qualification and eligibility; guidelines for counties to consider when determining whether a tax exemption applied for by a non-profit hospital should be granted, rejected, renewed or denied; the current and unique fiscal situations confronting states and units of local government today when making recommendations on the appropriate percentage, level or standard of charity care to qualify for tax exemptions.

Fiscal/Urban/Rural Impact: Requiring charity care in proportion to tax exemption will significantly decrease the burden of uncompensated care at county hospitals, both urban and rural.

Sponsor: President Toni Preckwinkle, Cook County, IL

Proposed Resolution on County Organized Health Systems

Issue: Local administration of Medicaid and expanded public programs via "County Organized Health Systems"

Proposed Policy: NACo urges Congress and the Administration to remove current statutory prohibitions that prevent the establishment of additional County Organized Health Systems (federally defined as "Health Insuring Organizations"). NACo also urges the Centers for Medicare and Medicaid Services (CMS) to adopt a policy of encouraging the formation of County Organized Health Systems as a means to more effectively deliver Medicaid benefits at the local level.

Background: County Organized Health Systems (COHS) are locally established independent publicly-run health plans that administer the Medicaid program, as well as other publicly-funded health care programs for low-income populations, in either a county or group of counties. COHS plans have existed in California since 1983 and there are currently six plans serving nine California counties and over 600,000 Medicaid beneficiaries.

COHS plans are governed by boards or commissions appointed by County Supervisors, and each plan develops its program to best suit the needs of the local community. During the last 29 years, COHS plans have proven successful in terms of both cost effectiveness (saving approximately 20 percent over fee-for-service Medicaid) as well as improved service delivery to Medicaid beneficiaries (e.g. increased access to care, disease management programs, and high immunization rates). COHS plans cover all Medicaid eligible beneficiaries in their services areas and provide the entire spectrum of care - from prenatal care to hospice. The expansion of the five, now six, COHS plans into 14 counties has shown that the county based model can be effectively replicated in both suburban and rural environments. Similar models also exist in 28 rural Minnesota counties.

Fiscal/Urban/Rural Impact: Short-term costs associated with development and implementation of a COHS plan. Long term savings associated with more efficient design, control and delivery of the Medicaid program in participating counties.

Sponsor: Patrick Duterte, Director, Health and Social Services, Solano County, CA

HUMAN SERVICES AND EDUCATION

PROPOSED PLATFORM CHANGE

Children’s Services

Foster Care, Kinship Care, Guardianship and Adoption Assistance: A variety of foster care situations should be available and sufficiently funded to provide for the differing needs of children. NACo strongly opposes block grants and/or funding caps in the federal Foster Care program. NACo strongly supports the following **--Add the following bullet at the end:**

- <u>Save administrative funds by allowing child welfare agencies to send Indian Child Welfare Act notices via certified mail instead of registered mail with receipt requested.</u>

Child Support—It is the right of every child to be supported by his or her parents. NACo supports the federal Title IV-D Child Support Enforcement program as a cost-effective means of ensuring that right and of reducing welfare costs. NACo supports providing incentives to states to pass-through a higher percentage of child support collections to families on welfare by reimbursing the state child support enforcement program dollar-for-dollar. Any pass-through program must be optional and not carved-out of existing funding. NACo urges Congress to permanently restore the ability to draw federal match dollars from the reinvestment of child support incentive payments. <u>County-administered child support programs should be allowed to retain the full application fee for cases where the custodial parent is not receiving cash assistance by identifying it as an administrative cost rather than as program income.</u>

Sponsors: Human Services and Education Steering Committee Leadership

PROPOSED RESOLUTIONS

Proposed Resolution on Reauthorizing the Temporary Assistance for Needy Families Block Grant

Issue: The Temporary Assistance for Needy Families Block Grant (TANF) program expires at the end of the fiscal year.

Proposed Policy: NACo urges Congress to revise the current TANF program to provide greater state and county flexibility to create and provide services that support families and help move them off welfare. NACo supports allowing more state flexibility in TANF program design such as allowing higher education to count as work; realistic time limits on education; and allowing states to use TANF funds to support post-secondary educational expenses. NACo urges Congress to, at a minimum, retain and enhance state flexibility to use TANF funds for subsidized employment. NACo urges Congress to reauthorize all programs within TANF and restore the TANF Supplemental Grants. NACo urges Congress to ensure that reauthorization includes the provision that the TANF block grant is increased annually in an amount commensurate with the rate of inflation.

Background: TANF expires at the end of the year. The TANF supplemental grants expired in 2011.

TANF regulations limit the hours of education that count as work. After the first 12 months, the participant must do some other type of work for 20 hours a week, and then pursue higher education while caring for minor children in the home. Removal of these restrictions would enable states to make choices about what will best benefit their citizens.

Many TANF families struggle with multiple barriers to self-sufficiency such as disabilities, mental health issues, domestic violence and substance abuse. As a result, they may not always be able to meet the full participation requirements. States and counties should be given the flexibility to provide partial credit to these families with special needs. A number of states have chosen to give a reduced grant to children whose parents reach their time limits on aid but still meet income eligibility criteria. The U.S. Department of Health and Human Services (HHS) regulations include these parents in the state's work participation rate. Given the current economic situation, this rule puts states and counties in the untenable position of having to decide whether to eliminate assistance for these vulnerable children.

An inflation adjustment was not included in the 1996 statute. As a result, TANF funding has been at a fixed level since 1997. Reauthorization should include automatic annual increases so the TANF block grant reflects state and county spending needs.

In the absence of long-term reauthorization, NACo urges HHS to review the current TANF regulations to determine which changes could be made administratively.

Fiscal/Urban/Rural Impacts: Long-term impacts on intergenerational poverty and child well-being.

Sponsors: Human Services and Education Steering Committee Leadership

Proposed Resolution on Comprehensive Immigration Reform

Issue: Congressional action needed to fix our broken immigration system

Proposed Policy: NACo urges Congress and the President to enact comprehensive immigration reform this year that:

- Provides for uniform enforcement of all existing laws;
- Secures our borders;
- Includes a national strategy for coordination among federal, state, local and tribal authorities;
- Establishes a sensible and orderly guest worker program;
- Imposes no unfunded mandates on state and local governments;
- Includes no mandates on counties to enforce immigration laws;
- Preserves the eligibility of legal non-citizens for federally-funded health benefits and provides a sustainable funding stream to counties for their cost of providing health services to legal non-citizens who are denied federally-funded health benefits;
- Establishes an earned path to citizenship that includes registering, background checks, demonstrating employment, learning English and civics, paying back taxes and fees that may be required;
- Improves and simplifies the current legal immigration system; and
- Provides green cards for science, technology, engineering and mathematics students who have received a graduate degree from American universities.

Background: Our current immigration system is confusing and complicated. Individuals often have to wait years to enter the United States as permanent residents. At the same time, over 11 million individuals have been living in the shadows for years. The most recent attempts by Congress to fix the system failed. In the meantime, several state and local governments, frustrated with the lack of federal action, have passed legislation dealing with immigration and unauthorized individuals, which has led to lawsuits and more confusion.

There is bipartisan agreement that immigration reform must occur soon. While immigration is a federal responsibility, counties are directly affected by immigration. Counties provide health, education, and community protection to our residents regardless of immigration status. Immigrants, regardless of their status are our neighbors and contribute to our local economy.

Fiscal/Urban/Rural Impact: A sustainable funding stream would provide new funds to counties and states.

Sponsors: Human Services and Education Steering Committee Leadership

Proposed Resolution on the DREAM Act

Issue: Support for the Development, Relief, and Education for Alien Minors (DREAM) Act

Proposed Policy: NACo calls upon Congress and the President to promptly enact the DREAM Act.

Background: Under the 1982 Supreme Court decision Plyler v. Doe, state and local education districts are required to provide children with a free primary and secondary education regardless of their legal status. NACo believes that it is in the best interest of counties to ensure that all children maximize their potential, which would include higher education opportunities.

The 1996 Illegal Immigration Reform and Immigrant Responsibility Act (P.L. 104-208) preempts state laws regarding postsecondary education benefits ("in-state tuition") for immigrant students, even when the child has successfully graduated from the state's K-12 system and has lived in the country since before his or her 16th birthday. The federal law prohibits states from providing in-state tuition benefits to those not lawfully present unless all students, regardless of state residence, are eligible for such benefits. NACo believes that this prohibition is a preemption of states' ability to determine who is and who is not eligible for in-state tuition and that it should be repealed.

The DREAM Act would restore the flexibility that states had prior to 1996 to determine who should receive in-state tuition. The bill would apply to students who have been in the country prior to their 16th year of age, have been in the country for at least five consecutive years, have graduated from high school or have a high school equivalent diploma, have been accepted to an institution of higher education, are not subject to an order of deportation, and are of good moral character.

Fiscal/Urban/Rural Impact: None

Sponsors: Human Services and Education Steering Committee Leadership

Proposed Resolution on the Community Services Block Grant

Issue: The Community Services Block Grant (CSBG) has been targeted for serious cuts and program changes.

Proposed Policy: NACo supports full funding for CSBG as well as the program's formula grant structure.

Background: The President's FY2014 budget proposed to cut CSBG in half. Additionally, the President's budget includes language that would "introduce competitiveness" into CSBG. While the proposed budget does not provide further details, this language is being interpreted as a proposal to change CSBG to a totally competitive grant process. Similar proposals were included in the President's proposal for FY2012, but were rejected by Congress. The FY2013 Senate Labor/HHS/Education Appropriations bill included current funding, which is nearly $700 million.

CSBG operates in ninety percent of the nation's counties through a network of more than 1,100 eligible public or private entities, many of which are community action agencies. CSBG grants go to the states, but they are mandated to pass through 95 percent of the funds to the eligible entities. Many of these antipoverty agencies also serve as the local Head Start agency and the local energy assistance agency. After Hurricane Katrina, many CSBG agencies played a key role in helping individuals who were displaced. CSBG agency boards are composed of local elected officials and community representatives.

Turning CSBG into competitive grants would disadvantage smaller communities that do not have the wherewithal to hire grant writers. It should be noted that CSBG already has a competitive component. States are allowed to use a percentage of their allocation for discretionary grants.

Sponsors: Human Services and Education Steering Committee Leadership

Proposed Resolution on the Social Services Block Grant

Issue: The Social Services Block Grant (SSBG) remains vulnerable to cuts in the context of entitlement reform and deficit reduction.

Proposed Policy: NACo strongly supports the SSBG and opposes any efforts to eliminate or reduce its funding.

Background: In 2012 the House Budget Reconciliation bill proposed to eliminate SSBG, which is currently funded at $1.7 billion, claiming that it is duplicative funding. While the House did not include this language in this year's budget resolution, the program remains extremely vulnerable, especially in the context of deficit reduction and entitlement reform. SSBG is an entitlement to states. Several sates in turn pass the funds to counties.

SSBG funding is used for a variety of services, but the most common include adult protective services and child welfare. SSBG is currently the only federal source of funding for adult protective services. Child welfare services funded by SSBG make up for insufficient funds in other federal programs, and may also cover children and families who are not eligible for federal foster care.

Under current law, states are allowed to transfer part of their Temporary Assistance to Needy Families Block Grant to SSBG, which is a more flexible funding source. In the past, SSBG has also served as a conduit for disaster relief funding because of its flexibility

Fiscal/Urban/Rural Impact: Would preserve county funding.

Sponsors: Human Services and Education Steering Committee Leadership

Proposed Resolution on the Reauthorization of the Older Americans Act

Issue: Aging population growth is increasing demand for services to older Americans.

Proposed Policy: NACo urges the strengthening, through additional funding, of the Older Americans Act (OAA) in these key areas: home delivered nutrition services, case management, information and assistance service, Senior Community Service Employment Program (SCSEP), Supportive Services (including Long-Term Care), Ombudsman Program, and Health Promotion and Disease Prevention. NACo further urges Congress to reauthorize the OAA, expand program flexibility to distribute funds between nutrition programs (Title III C), as well as between Title III C and Supportive Services (Title III B). NACo further supports the local service delivery structure for OAA programs.

Background: Today, nearly 39 million Americans, or 13 percent of the population, are over the age of 65. This number will swell to 21 percent by 2050. As the population ages, there is greater demand for supportive services that keep seniors active, productive, and independent while living in the least restrictive environment possible.

NACo supports the OAA and calls for additional funding to strengthen programs that encourage and enable the expansion of in-home case management, community-based care and assisted living facilities as a means of avoiding unnecessary institutional care. This should include Medicare or Medicaid paying for the unfunded portion of OAA services such as adult day programs, home delivered meals, case management and medication management.

NACo urges Congress to expand and improve access to daily nutrition and meal services, respite care, home care services, adult daycare, services to family caregivers, information and referral services, and research. Under current law, states and area agencies on aging have limited ability to transfer funds within nutrition programs (Titles III C1 and C2) and between support services (Title III B) and nutrition and vice versa.

Fiscal/Urban/Rural Impact: Would provide new federal funds to counties and community-based organizations.

Sponsors: Human Services and Education Steering Committee Leadership

Proposed Resolution on Strengthening the Supplemental Nutrition Assistance Program

Issue: The Supplemental Nutrition Assistance Program (SNAP) is up for reauthorization in the 2013 Farm Bill.

Proposed Policy: NACo urges Congress to strengthen the SNAP program by:

- Restoring the federal share of state and county administrative costs so that every state is guaranteed a 50 percent reimbursement;
- Allowing all states to operate the Supplemental Security Income (SSI) Combined Application Program (CAP);
- Continuing to simplify the SNAP application process;
- Extending the SNAP benefit increase that is scheduled to sunset in 2013;
- Increasing the minimum benefit; and
- Continuing the state option make households that receive benefits under the Temporary Assistance for Needy Families Block Grant (TANF) categorically eligible for SNAP.

Background: The SNAP program is critical to struggling families and has proven to be one of the most countercyclical federal programs because benefits can reach families quickly during economic downturns as well as natural disasters. However, despite many improvements, the program's day to day management is still cumbersome and needs modernization.

Counties in several states administer the program and have been trying to deal with increased demand and less staff. At the same time, counties and states are still dealing with administrative reimbursement cuts imposed in 1998 that have reduced the average national reimbursement rate from 50 percent to 47 percent. Some states receive a reimbursement rate that is approximately only 40 percent.

The SSI CAP system allows SSI recipients to seamlessly enroll in SNAP, yet this waiver program only operates in a few states. Allowing all states to operate the program would greatly ease administrative burdens and bring more eligible individuals into the program. NACo would also urge Congress to allow similar waivers to better integrate SNAP with applications with Medicaid and the Temporary Assistance for Needy Families Block Grant.

The American Recovery and Reinvestment Act increased the SNAP monthly benefits by approximately 15 percent through 2018. A reduction in the benefit boost was used to pay for other legislation by shortening the benefit's duration to November 1, 2013.

The minimum SNAP monthly benefit is $16 per person. Most of the households that receive the minimum payment are elderly. The minimum benefit needs to be increased so that elderly households receive an amount that is at least equal in value to the floor set in the 1970's.

Under current law, states have the authority to make households that receive TANF cash assistance and other TANF benefits eligible for SNAP. This means that these households don't have to go through a separate asset test or file a separate application, thus saving administrative funds and reducing errors. Forty-three states, the District of Columbia and territories have chosen this option, including all county-administered states except Virginia.

Fiscal/Urban/Rural Impact: Would increase county administration funds as well as family benefits.

Sponsors: Human Services and Education Steering Committee Leadership

Proposed Resolution Supporting the Recognition of Prostituted Children and Youth as Victims of Sexual Exploitation

Issue: Recognizing youth who are victims of sexual exploitation as children in need of protective services

Proposed Policy: NACo urges state and local governments to change their approach to dealing with juveniles who are engaged in prostitution, by shifting focus away from treating them as offenders to instead recognizing them as children in need of protective services. Further, NACo urges Congress to provide grants to states and counties to support these important protective services.

Background: The average age of entry into prostitution is 12 to 14 years of age. In Minnesota, 10,000 – 15,000 individuals are prostituted each year. Ramsey County has been a leader in providing services to sexually exploited children, including operation of the Ramsey County Runaway Intervention Project (RIP). RIP uses a victim-centered public health model, which considers exploited youth as children in need of protection and not as criminals. The program provides intervention services, such as emergency housing and supportive social services to help victims recover and move forward with their lives. Early intervention to avoid sex trading and trafficking in Minnesota's female adolescent population passes a rigorous benefit-cost test with a return on investment of $34 in benefits for each $1 in costs, according to an analysis by study authors from the University of Minnesota and Indiana State University (Martin, Lauren and Stark, Lauren).

In 2011, Minnesota adopted the Safe Harbor for Sexually Exploited Youth Act, which identifies prostituted children up to the age of 16 as victims of sexual exploitation. This Act ends the reliance upon delinquency proceedings as the sole approach to meeting the needs of these young crime victims, and calls upon the state to create a framework for implementation of the changes, which becomes effective on August 1, 2014. Additional legislation is pending to increase the age of victims covered under the Safe Harbor Act to 18.

Fiscal/Urban/Rural Impact: Providing social services, including child protective services, to sexually exploited juveniles decreases juvenile corrections costs and downstream adult correctional costs and helps these victimized individuals pursue more productive, stable lives. The incidence of prostitution involving juveniles occurs in urban, rural and suburban communities; therefore, all communities can benefit from this approach to sexually exploited youth.

Sponsors: Human Services and Education Steering Committee Leadership

Proposed Resolution on the Reauthorization of the Child Care and Development Block Grant

Issue: The Child Care and Development Block Grant expires at the end of the fiscal year.

Proposed Policy: NACo supports a reauthorization of the Child Care and Development Block Grant (CCDBG), which includes enhanced program flexibility, and s increased access to quality and safe child care.

Background: NACo applauds the introduction of the bipartisan Senate bill to reauthorize the Child Care and Development Block Grant (CCDBG) (S. 1089). NACo supports the provisions requiring criminal background checks of child care workers and the flexibility provided to state and county programs to charge service providers a fee. Without this flexibility, states and counties would not be able to absorb the costs of the background checks

NACo also supports the provision extending the time to change state plan requirement from every two years to every three years. This provision will give states and counties time to implement program changes and will simplify program administration.

NACo supports enhanced quality improvements, but is concerned that the level of the set-asides included in the legislation coupled with sequestration and other fiscal limitations will reduce the amount of funds available for child care slots. As written, the bill requires a set-aside of no less than six percent in FY2014, eight percent in FY2016, and no less than 10 percent in FY2018 and future years. There would also be another set-aside of three percent every fiscal year for quality improvements for infant and toddler child care, for a total of nine to 13 percent.

Fiscal/Urban Rural Impact: Will increase administrative flexibility and preserve funds for direct services.

Sponsor: National Association of County Human Services Administrators

Proposed Resolution on the International Collection of Child Support Obligations

Issue: Congress is considering legislation to streamline and make more uniform the process for collecting child support obligations from non-custodial parents living outside the United States.

Proposed Policy: NACo urges Congress to enact legislation implementing the 2007 Hague Treaty Convention, which contains procedures that ratifying countries must follow to process international child support cases in a uniform, simple, efficient, and accessible manner that is cost-free to U.S. citizens seeking support in other countries.

Background: On June 18, 2013, the U.S. House of Representatives adopted, 394-27, the International Child Support Recovery Act (H.R. 1896). The measure would codify the provisions to streamline and make uniform the collection processes in international cases once the states pass enacting legislation.

The bill will assist state and county child support staff who encounter challenging and time-consuming international cases. Presently, there are no agreed upon standards of proof, forms or methods of communication. As more parents cross international borders leaving children behind, international child support enforcement is more important than ever. Ratification of the Convention by the United States will mean that more children will receive financial support from their parents residing in countries that are also signatories to the Convention.

Pending before the U.S. Senate Finance Committee is a bill containing a similar provision. The Strengthen and Vitalize Enforcement of Child Support (SAVE Child Support) Act (S. 508) is also a bipartisan measure.

Fiscal/Urban Rural Impact: Will enhance the ability of child support staff to pursue international cases, and ultimately provide additional financial assistance to children from parents living abroad.

Sponsor: National Association of County Human Services Administrators

JUSTICE AND PUBLIC SAFETY

PROPOSED RESOLUTIONS

Proposed Resolution Supporting Legislation to Provide Mitigation Funds for Certain Areas Affected by Wildfires

Issue: Support for Legislation Providing Mitigation Funds for Certain Areas Affected by Wildfires

Proposed Policy: NACo supports legislation that provides dedicated mitigation funds by allowing the use of up to 15 percent of the cost of a Fire Mitigation Assistance Grant (FMAG) to support wildfire mitigation projects.

Background: Recent mega-fires in the West have illuminated the fact that the Federal Emergency Management Association (FEMA) programs and policies for disaster and emergency assistance for wildfires do not work well, primarily because they were developed to address natural disasters such as hurricanes, floods, and tornadoes. For example, there is a minimal role for mitigation work, which is critical for communities vulnerable to wildfires.

Mitigation is proven to reduce the costs and long-term impacts of wildfires on communities, property, and water supplies. The long-term savings that mitigation represents are well documented. For every dollar spent on hazard mitigation, there is an average savings of four dollars. With conditions such as persistent drought, coupled with a growing wildland urban interface (WUI), mitigation financial assistance is a low-cost, common-sense way to protect life and property while saving taxpayer dollars.

This legislation provides parity for wildfires with other natural disasters by providing up to 15 percent of the cost of a Fire Mitigation Assistance Grant (FMAG) to support statewide wildfire mitigation projects. Based on averages since 1990, this would cost less than 0.01 percent of the Disaster Relief Fund (DRF). According to the Congressional Budget Office (CBO) this legislation does not score.

Counties will be able to apply for the funds through the Hazard Mitigation Assistance Grants Program (HMAGP) through their state, and funds can be used for post-fire flooding mitigation and pre-fire mitigation to help reduce the severity of fires before they happen.

FEMA's Stafford Act programs already recognize the importance of mitigation for other natural disasters such as hurricanes, floods, and tornadoes by providing 15 percent of the total FEMA disaster cost to states to support mitigation programs statewide. However, FEMA handles most wildfires through the Fire Management Assistance Grant (FMAG) program (P.L. 93-288, § 404), which supports "grants, equipment, supplies and personnel" to assist states and local governments attempting to control fires on state and private property, and to prevent fires from becoming major disasters. Unlike disaster declarations for other natural disasters, FMAG currently only provides assistance while the fire is burning and does not have the authority to assist in post-disaster mitigation.

Fiscal/Urban/Rural Impact: Mitigation funds for certain areas affected by wildfires will have a positive fiscal impact on affected counties. Legislation providing mitigation funds will help lessen the post-fire burden on counties and lessen the chances of big catastrophic fires by providing an avenue for pre-fire mitigation.

Sponsor: Commissioner Lynn Padgett, Ouray County, CO

Proposed Resolution Supporting Legislation to Recognize Elected County Commissioners and Supervisors who Manage Transportation Infrastructure as First Responders

Issue: Elected county commissioners and supervisors who are responsible for county roads and bridges are not recognized by the federal or state governments as "First Responders"; however, in times of natural disasters these individuals are the first people dispatched to secure roads and bridges.

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Proposed Policy: NACo supports federal legislation that would allow elected county officials who function as first responders the same travel and tax benefits afforded to traditional first responders.

Background: Under current law, the Department of Homeland Security defines a "first responder" as a trained or certified individual who, upon arriving early to an incident or emergency, assumes immediate responsibility for the protection and preservation of life, property, evidence and environment. The term first responder refers to a variety of trained, emergency response providers and includes the public, private and government agencies of law enforcement; the fire department; school safety, public works, public health, mental and behavioral health services personnel; employees of hospitals, transportation departments, port and venue security, and private emergency management services and ambulance services; child protective services, hazardous materials and poison control agencies.

This definition does not include elected county officials who therefore are not eligible for the same travel and tax benefits under federal law unless they maintain an extremely detailed and tedious travel/mileage log when responding to a disaster. Elected county officials responsible for hundreds to thousands of miles of urban and rural roadways and bridges are responsible for providing immediate response during disasters and times of crisis to ensure the condition of these roads and bridges allow for safe travel. During these incidents when a county official inspects and looks at damages, that individual cannot always keep detailed records of each street or road on which he or she travels nor the mileage on each of these streets and roads. If recognized as first responders, county commissioners and supervisors could drive a county-owned vehicle or a personal vehicle without maintaining a detailed mileage log and applying for travel and tax benefits.

Fiscal/Urban/Rural Impact: Counties directly benefit from having their elected officials recognized as "first responders" to help ensure the safety of all citizens traveling on urban and rural roadways and bridges.

Sponsor: Commissioner Cindy R. Bobbitt, Grant County, OK

Proposed Resolution on Biggert–Waters Flood Insurance Reform Act and FEMA Mapping Procedures

Issue: Changes made to the National Flood Insurance Program and the release of inaccurate flood maps are causing dramatic increases in the cost of flood insurance.

Proposed Policy: NACo supports a sustainable, fiscally responsible National Flood Insurance Program (NFIP) that protects the businesses and homeowners who built according to code and have followed all applicable laws. NACo urges Congress to amend the Biggert-Waters Act to keep flood insurance rates affordable while balancing the fiscal solvency of the program. NACo urges Congress to reinstate grandfathering of properties (not policies) that were built to code, have maintained insurance, have not repeatedly flooded, etc. and to implement rate structures that reflect an economically reasonable and slower increase in rates to actuarial rates.

Background: Changes made to the NFIP in the Biggert-Waters Act of 2012 threaten to harm the very citizens the program was designed to protect. Drastic premium increases will threaten all of coastal and riverine America as new FEMA flood maps are unveiled in the coming years. Through the passage of the Biggert–Waters Flood Insurance Reform Act (Public Law 112-141, aka: BW12) signed into law by President Obama on July 6th of 2012, the NFIP was revised such that the public's trust and reliance on the program to provide affordable flood insurance protection for prior investments in their homes and businesses were essentially discontinued with no practical alternative provided for and this passage substantially and immediately devalued the investments made in all properties through the drastic increase in the cost of flood insurance and all other properties in the area. In some cases, premiums are increasing to over $28,000 for homes and $100,000 for businesses for policy holders that have never flooded. This will severely impact county governments as property values will plummet and tax bases will erode.

Fiscal/Urban/Rural Impact: Left unchanged, Biggert-Waters will threaten all of coastal and riverine America. Properties will become unsellable and lose value. Homeowners will likely lose their greatest investments and banks will lose mortgage portfolios at no fault of their own.

Sponsors: Buddy Boe, Chief Administrative Officer, St. Charles Parish, LA; Councilman John Arnold, Lafourche Parish, LA; Commissioner Joe Vene, Beltrami County , MN; Supervisor Dennis J O'Loughlin, Dane County, WI; Judson M. Freed, Homeland Security and Emergency Management Director, Ramsey County, MN; Brad Carlyon, Attorney, Navajo County, AZ; Commissioner Alisha Bell, Wayne County, MI; County Executive Jeff Huffman, Tipton County, TN; Commissioner Stephanie Lynch, Caddo Parish, LA; Ascension Parish, LA; Bossier Parish, LA; Caddo Parish, LA; Calcasieu Parish, LA; Cameron Parish, LA; Claiborne Parish, LA; Jefferson Parish, LA; Jefferson Davis Parish, LA; Lasalle Parish, LA; Police Jury Association of Louisiana Executive Board; Orleans Parish, LA; Plaquemines Parish, LA; Rapides Parish, LA; St. Bernard Parish, LA; St. James Parish, LA; St. John the Baptist Parish, LA; St. Mary Parish, LA; St. Tammany Parish, LA; Tangipahoa Parish, LA; Terrebonne Parish, LA; West Baton Rouge Parish, LA; Ouachita Parish Police Jury, LA

Proposed Resolution Supporting the Metal Theft Prevention Act of 2013

Issue: The theft of specified metal

Proposed Policy: NACo urges Congress to pass legislation supporting action to prohibit the stealing of specified metal, which would affect interstate and foreign commerce.

Background: The Metal Theft Prevention Act calls for enforcement by the U.S. Attorney General and gives state attorneys general the ability to bring civil actions to enforce the provisions of the legislation. It also directs the U.S. Sentencing Commission to review penalty guidelines as they relate to metal theft and to ensure they are adequate. The bill also makes it an explicit federal crime to steal metal from critical infrastructure.

In addition, the legislation would make it much tougher for thieves to sell stolen metals to scrap metal dealers. It contains a “Do Not Buy” provision which bans scrap metal dealers from buying certain items unless the sellers establish, by written documentation, that they are authorized to sell the secondary metal in question. As a result of the bill, scrap metal dealers would be required to keep detailed records of secondary metal purchases for two years and make them available to law enforcement agencies. The bill would also require that purchases of scrap metal over $100 be done by check instead of cash, to further help law enforcement track down thieves.

Metal theft has significantly jumped in recent years and harms critical infrastructure, including metal used as part of an electrical substation, power line, cellular tower, telephone land line, highway equipment and facilities, railroad equipment and facilities, water well, reservoir, or sewage line.

Between 2009 and 2011, the National Insurance Crime Bureau found over 25,000 insurance claims related to metal theft, an increase of 81 percent over claims made between 2006 and 2008. In one study, the U.S. Department of Energy found that the total value of damages to industries affected by the theft of copper wire would likely exceed over $900 million each year.

Fiscal/Urban/Rural Impact: Potentially positive: reduce and eliminate the theft of certain metals that deplete and harm critical infrastructure to communities.

Sponsors: Commissioner Audrey M. Edmonson, Miami-Dade County, FL; Commissioner Sally Heyman, Miami-Dade County, FL

Proposed Resolution on Prevention Efforts Related to Community Violence

Issue: Support prevention efforts related to community violence

Proposed Policy: The federal government should expand on the recent Presidential Memorandum to engage in public health research on the causes and prevention of gun violence, and fully address the many forms of violence that impact community well-being.

Background: The federal government must continue to provide funding to local jurisdictions so those funds are directed most appropriately to meet the range of our community needs. Further, the federal government should amend funding streams typically associated with public safety to require the inclusion of community health partners in planning and implementation with particular emphasis on including mental health approaches, substance use prevention approaches, school based approaches, gang and crime prevention, among others. Community violence and gun safety is a complex issue. It is not a mental health issue alone, a police and public safety issue alone, a schools or education issue alone, or a personal responsibility issue alone. However, together, efforts to prevent violence are critical to creating a thriving, healthy community. Local health jurisdictions are ideally situated to create and implement violence prevention programs, with particular recognition of the health impacts associated with community violence.

Violence is clearly recognized as a public health problem, and preventing injuries and violence is a leading health indicator identified in Healthy People 2020. Violence takes many forms: between intimate partners, physical and emotional abuse of children and elders, youth violence, violence between strangers, violence experienced by veterans returning from war, and self-inflicted injuries and suicide. Each type of violence provides specific opportunities and strategies for prevention. Many people who survive violence are left with permanent physical and emotional scars potentially resulting in mental and physical health issues. Violence also erodes communities by reducing productivity, decreasing property values, and disrupting social services.

Prevention and early intervention strategies are essential for individual and community well-being. Evidence-based practices need to continue to expand with integrated health approaches to address the mental health needs of veterans returning from Iraq and Afghanistan, better understanding and application of public health approaches to prevent violence, and engaging in other primary prevention efforts to address the social and health issues impacted by violence. Local health jurisdictions can develop community-based strategies and programs to train community members, teachers, students, public safety, faith-based and other culturally identified community leaders and others in recognizing and preventing violence.

Fiscal/Urban/Rural Impacts: The cost of these reforms is negligible to the federal government. At the local level, these reforms could produce significant savings in crime and preventive health costs, and provide stimulus for local community partners.

Sponsors: Supervisor Shirlee Zane, Sonoma County, CA; Commissioner Katie Cashion, Guilford County, NC

Proposed Resolution Supporting the Stopping Tax Offenders and Prosecuting Identity Theft Act and Similar Legislation

Issue: Misuse of Taxpayer Identity

Proposed Policy: NACo urges Congress to pass legislation supporting action to reduce tax crimes and identity theft; encourage the Department of Justice (DOJ) to dedicate additional resources, including the use of investigative task forces, to address tax-return identity theft; focus resources in areas with a high rate of tax-return identity theft; coordinate investigations with state and local law enforcement agencies; protect vulnerable victims, including veterans, seniors and minors; and penalties to help deter this type of crime and protect victims.

Background: Tax return identity theft causes financial harm and emotional stress to its victims. According to the Internal Revenue Service (IRS), more than 938,664 tax returns and $6.5 billion were associated with fraudulent tax refunds involving identity theft in 2011. Most tax identity theft victims don't even realize what has happened until they file their taxes, only to learn from the IRS that someone else has already filed and claimed their hard earned tax return. These criminals hide behind a veil of technology by stealing Social Security numbers and filing false electronic returns where the payoffs are almost instantaneous. Right now more thieves and criminal organizations are turning to this lucrative low-risk, high-reward crime because law enforcement lacks the kind of stiff criminal penalties afforded many other forms of identity theft. Technology has outstripped the enforcement tools currently on the books. As we fight an ever growing national crime epidemic on identity theft, with over $6 billion in fraud, touching communities and constituents nationwide, legislation is needed to protect all Americans.

The Stopping Tax Offenders and Prosecuting Identity Theft Act (STOP Identity Theft Act), a bipartisan bill introduced by Representatives Debbie Wasserman-Schultz (D-Fla.) and Lamar Smith (R-Texas), will increase criminal penalties for tax-return identity theft. Increased penalties have been called for by the Bush and Obama Administrations in the last six years and will toughen sentencing for tax return identity thieves, which will help deter this kind of crime. The legislation expands the definition of an "identity theft victim" to include businesses and charitable organizations, which often have their identities stolen and used in "phishing" schemes to extract sensitive information from unsuspecting taxpayers.

Additionally, the STOP Identity Theft Act calls for better coordination between the DOJ and state and local law enforcement to make the most efficient use of the law and resources and better protect vulnerable groups such as veterans, seniors, minors and foster children from becoming future victims of this type of crime. The bill then calls for DOJ to report back on trends in tax-return identity theft, progress on prosecuting these crimes, and recommendations for additional legal tools to combat it.

Similar bipartisan legislation, introduced by Representatives Kathy Castor (D-Fla.) and Richard Nugent (R-Fla.), would require greater cooperation and information-sharing between the IRS and local law enforcement, to expedite resolution for victimized taxpayers, to increase penalties for identity theft in connection to tax crimes, institute a pilot program for a unique PIN system, protect the Social Security Death Master File, and reallocate resources within the IRS to tackle tax refund fraud.

Fiscal/Urban/Rural Impact: Potentially positive: expedite refunds to individual victims of taxpayer ID fraud; assist in deterrent and crime prevention efforts; possible grants for law enforcement agencies.

Sponsor: Commissioner Sally Heyman, Miami-Dade County, FL

Resolution Supporting the Emergency Management Performance Grant (EMPG)

Issue: During each of the past two years, the Secretary of Homeland Security has proposed weakening the Emergency Management Performance Grant (EMPG) and including it with terrorism grants

Proposed Policy: NACo requests that Congress guarantee that the Emergency Management Performance Grant (EMPG) remain a separate program, separately funded from all other grants that specifically address terrorism or other specific issues (remaining, then, a truly all-hazards program); requiring that a minimum of 70 percent of EMPG funds be passed through to local government with a 50-50 match requirement; and funding it at the highest possible levels, but no less than the FY2012 appropriations.

Background: The express purpose of the Emergency Management Performance Grant (EMPG) program is to assist local governments in building and maintaining local emergency management programs that meet the basic national, state, and local needs for creating overall resiliency - thus enabling county agencies to assist other parts of the nation in times of crisis. This program has been demonstrably successful for decades, despite being underfunded. Counties are required to meet minimum of federal requirements and numerous state requirements for their Emergency Management programs, in addition to the individual local government needs. Thus, these federal funds assist the counties in achieving a higher level of national resilience.

EMPG is the sole all-hazards grant currently extant, and the most demonstrably successful DHS grant program. At the same time, in light of state funding shortfalls, state Emergency Management agencies have reduced the amounts of EMPG funding passed through to local government.

Counties match no less than 50-50 with local funds in addition to meeting the many requirements, but Congress has never fully funded the EMPG program, meaning that in virtually 100 percent of cases, the counties are required to overmatch the grant. Additionally, each state is free to decide whether or not to pass through any or all funding. In many cases, states use the money to cover the costs of their own programs, and note that the services such programs offer "assist" the local counties, thus "meeting the spirit" of the law.

In FY2012 U.S. Department of Homeland Security Secretary Janet Napolitano chose to increase eligibility for EMPG to include private sector and non-governmental organization (NGO) agencies who claim some level of participation in the emergency management process. In essence, this decreases the amounts available to counties even further by increasing the number of potential recipients. NACo led opposition to that action. In 2013, the Secretary again proposed weakening the EMPG program. State agencies have resisted any and all requests to guarantee and pass through - and in many cases have decreased the amounts passed through to as little as 30 percent.

Fiscal/Urban/Rural Impact: The impact and response to disaster are first, last, and primarily local in nature. The nation has learned that no matter how large or populous a jurisdiction may be, major emergencies and disasters will always require assistance from other - unaffected - jurisdictions. Grant funding should primarily support local prevention and preparedness efforts, as is the case under the current program structure, so as to enhance local resilience by lessening the likelihood and impact of disaster through development of local capabilities. Local government cannot be expected to fund and support this national role on their own. These capabilities must be a collaborative effort with the federal government. Capabilities funded through federal grants must also be able to be deployed to other areas of the nation in time of need.

The Emergency Management Performance Grant (EMPG) program - the only all-hazards grant - has been proven time and again to be measurably effective in building both capacity and resilience at the local level. In turn, this is the grant that, more than any other, has allowed local agencies to assist others outside of their jurisdictions. At the same time, this grant still requires local government to fully match (and in most cases, to significantly over match) the federal investment. EMPG is an almost uniquely successful program that might serve as a model for the other homeland security grants.

Sponsor: Judson Freed, Homeland Security and Emergency Management Director, Ramsey County, MN

Proposed Resolution on an Alternative Restructuring of Homeland Security Grants

Issue: Establishing fiscally sound adjustments to homeland security grant programs that will continue to enhance the nation's capabilities to meet the challenges posed to counties by emergencies and disasters of all types**.**

Proposed Policy: NACo applauds the efforts of the U.S. Secretary of Homeland Security to streamline the grant system and build a more fiscally responsible and sustainable program. However, NACo opposes the Homeland Security Grant Vision put forth by the Secretary in FY2012 and FY2013. NACo proposes an alternative that will better address the needs of all levels of government, and that does not discard the advances created by the past grants. We propose consolidation of the current homeland security grants into two programs:

<u>National Preparedness Program</u> **-** A compilation of all current homeland security grants from the U.S. Department of Homeland Security (DHS) and the U.S. Department of Health and Human Services (HHS) (except as below), based on realistic risk to each state from all hazards including but not limited to terrorism, grants would be made to each state in order to sustain and enhance resilience and the ability to help other jurisdictions. Prioritization and allocation decisions to be made by the State Administrative Agency in transparent consultation and consent of local governments, and continuing to require that no less than 80 percent of these funds be passed to local government based on their realistic risk.

<u>Urban Area Security Initiative (UASI)</u> **-** Specific additional funding to the 25 urban areas at greatest risk of disastrous event (of all hazards including terrorism) in light of the significant populations and

economic drives located in these areas. Again, the program would be jointly administered by the State Administrative Agency and the existing UASI organizational units and continuing to require that no less than 80 percent of these funds be passed through to the urban areas.

NACo will work with Congress and the other stakeholders to prepare updated legislative language to accomplish these goals.

Background: The future of homeland security funding in America is vague at best. The purposes of the funding, the number of grants, duplication of effort, and failure to spend down allocated funds, has called into question the wisdom of continuing the programs. The purpose of the grants is to provide federal funding to assist state and local governments in support of the National Preparedness Goal. Following adoption of the 9/11 Act, DHS implemented a series of grant programs aimed primarily and reflexively at terrorism issues. There are some 16 separate grants currently. The complexity of these funding streams has led to an appearance of waste, and delays – both avoidable and unavoidable – in use of the money.

The FY2013 vision released by the Secretary would have consolidated the 16 HSGP programs into one new “Funding Opportunity Announcement” to be called the National Preparedness Grant Program (NPGP) which would also have rolled in the specialized UASI grants. The block grant format of the NPGP was slated to mandate that a state administrator would make all determinations as to the use of the NPGP and ending any requirement to pass any funding through to local government.

Further, the Secretary proposes changing the definition of "local government" to include private companies, NGO's, transit hubs and more. NACo led the opposition to these ill-considered changes, and was successful in deterring the Secretary from this course in 2012. However, the Secretary continues to propose these changes, and Congress is still seeking alternatives and enhancements to the current grant system.

NACo continues to oppose handing the guidance for these grants solely to the individual states and territories. For FY2014, the grants should continue at the same amounts, guidance, and instructions as in FY2013, so as to allow time for planning and transition. For FY2015, NACo supports a system that would consist of two primary homeland security grant structures:

<u>National Preparedness Program (NPP)</u> **-** The catastrophes of Hurricanes Katrina, Irene, and Sandy, as well as the tornadoes and floods in the Midwest over the past five years, have demonstrated that no local government or state government can hope to respond to and recover from major emergencies on their own. Congress has established the Emergency Management Assistance Compact in recognition of this fact, enabling the rapid sending of assistance across the nation. However, this assistance consists almost wholly of local government equipment and personnel - maintained, trained and used at the local level on a day-to-day basis so as to make each jurisdiction more individually resilient and ready to respond.

The homeland security grants have enabled local government to build the capacity needed to respond to afflicted regions by securing education, training, and equipment, and through the conduct of exercises and creation of interoperable systems. NACo recognizes that 16 separate DHS programs and a number of HHS security grants, each with constantly changing guidance and accounting has diminished the ability for Congress to measure progress, and therefore consolidation will be necessary. However, by mandating that the state become the sole administrator of funds intended to build local capacity, the vision put forth by the Secretary will result in the states funding their own personnel cadre under the pretense that this is somehow a direct benefit to the counties and therefore meets the intent of the law.

NACo continues to oppose the assignment of final authority of the grants to the state administrator. NACo requests that Congress require the Secretary to ensure that commissions consisting of county

Emergency Managers be established in each state to vet requests for funding and ensure that the overall needs of the local communities are met. These grants to the states should be passed through at no less than 80 percent to the counties.

Since event impact and response are primarily local in nature, grant funding should primarily support local prevention and preparedness efforts, as is the case under the current program structure. It is important that the vast majority of federal homeland security grants continue to fund local prevention and response activities, including local emergency managers and first responders, and activities that support their preparedness efforts.

Urban Area Security Initiative (UASI) Program - The UASI grant was specifically designed by Congress to assist large urban areas, including large urban counties, in meeting national preparedness needs against terrorism and catastrophic disasters. NACo requests that Congress fully fund the UASI program and assure that no less than 80 percent of funds are passed through to the large urban areas. Further, NACO requests that Congress fully consider the risk of disaster to such areas, and not limit the UASI program solely to the specific terrorism risks. As recent events have demonstrated, the capacity to react to terrorist events is the same as we need for disasters of other cause. UASI grants would continue to fund projects in large urban areas determined to be at highest risk and which provide assistance to other areas under the Emergency Management Assistance Compact.

Fiscal/Urban/Rural Impact: The impact and response to disaster are first and primarily local in nature. The nation has learned that no matter how large or populous a jurisdiction may be, major emergencies and disasters will always require assistance from other - unaffected - jurisdictions. Grant funding should primarily support local prevention and preparedness efforts, as is the case under the current program structure, so as to enhance local resilience by lessening the likelihood and impact of disaster through development of local capabilities. Local government cannot be expected to fund and support this national role on their own. These capabilities must be a collaborative effort with the federal government. Capabilities funded through federal grants must also be able to be deployed to other areas of the nation in time of need.

Sponsor: Judson Freed, Homeland Security and Emergency Management Director, Ramsey County, MN

LABOR AND EMPLOYMENT

PROPOSED RESOLUTIONS

Proposed Resolution on Reauthorization of the Workforce Investment Act (WIA)

Issue: Reauthorization of the Workforce Investment Act

Proposed Policy: NACo supports a Workforce Investment Act (WIA) that promotes innovation and flexibility at the state and local level, is responsive to local emerging economic realities and business needs, and ensures U.S. workers and businesses have the skills and training needed to compete in the 21st century economy.

Background: In 1998, Congress established a framework for the nation's workforce development system under WIA. The law replaced multiple existing training programs with state formula grants, and created a nationwide network of locally administered "one-stop" centers where both workers and employers could access training, employment and support programs administered through the U.S. Department of Labor (DOL) and other agencies, such as the U.S. Departments of Education and Health and Human Services.

Administered at the federal level by DOL's Employment and Training Administration (ETA), WIA is the largest single source of federal funding for workforce development activities.

The law authorizing WIA expired in 2003 and is currently unauthorized yet operating through the annual appropriations process, despite vast changes in economic conditions and the skill needs of a growing unemployed and underemployed population. Given these changes, it is critically important that Congress act to modernize the nation's workforce development system to ensure that individuals at all skill levels are able to obtain the training and education they need to secure and keep jobs that lead to economic self-sufficiency, while also ensuring that businesses have access to the skilled workforce they need to compete in the global economy. Local workforce development areas are working diligently to achieve these goals.

Democrats and Republicans on the House Committee on Education and the Workforce have introduced separate legislative proposals to reform and reauthorize the Workforce Investment Act – HR 798 and HR 803 respectively. On March 15, the U.S. House of Representatives passed by a vote of 215-202, the Supporting Knowledge and Investing in Lifelong Learning (SKILLS) Act (H.R. 803).

The Senate Committee on Health, Education, Labor & Pensions (HELP) released discussion drafts of each Title of the proposed Workforce Investment Act (WIA) reauthorization bill in June 2011. This was the product of a two year bipartisan effort. It is likely that a Senate bipartisan measure will be introduced soon.

To minimize any negative impacts on workforce development efforts at the state and local levels, NACo believes the following principles should be adhered to during the reauthorization process:

1. The local public-private partnership as established under current law should be maintained. Decisions about how the partnership should be implemented at the local level should be left to local elected officials and local workforce boards in consultation with states.
2. The federal-state-local relationship currently established by WIA should be maintained to ensure the appropriate levels of planning authority and accountability.
3. Appointment of the local workforce investment boards should remain the province of chief local elected officials. Governors should continue to certify local workforce investment boards, but only after local elected officials, working with representatives of the business community, identify the appropriate individuals to serve on the board.
4. Local one-stop centers should remain under the guidance and jurisdiction of local chief elected officials and local workforce investment boards. These one-stop centers should be accountable to the local chief elected official for all monies spent to prevent the misuse of public funds.
5. The vast majority of funds allotted to states should be allocated by formula to local workforce investment areas. Where appropriate, the Congress should make adjustments to the formulae in order to achieve a more balanced and equitable distribution of funds. The reallocation authority currently given to governors should be retained.
6. The percentage of private sector representatives on the local workforce investment boards should be increased and the number and percentage of public sector representatives, especially the mandatory partners, should be reduced substantially or eliminated, though they may serve ex-officio, at the discretion of the local chief elected official. Representatives from these public agencies may be asked to participate in meetings when issues relevant to them arise; however, the decision-making authority on the local workforce investment boards should rest with the private sector. NACo believes the public-private partnership is represented by the partnership that is forged between the local chief elected official and his or

her local workforce investment board. Decisions made by these two entities represent the public-private partnership at work.

7. Local workforce investment area plans should be developed jointly by the local chief elected official and the local workforce investment board within broad policy and programmatic guidelines developed by the governor and the state workforce investment boards. Local workforce investment areas and states should be granted broad waiver authority to creatively respond to the employment, economic development and welfare issues confronting states and localities. Requests for waivers should be developed jointly by local elected officials and workforce investment boards, should be limited to the delivery of program services and the allocation of funds to different activities and must receive the approval of governors and state boards before they can be enacted.
8. Separate and distinct funding for the local one-stop system should be provided at the national level or from each of the mandatory partners. Where the state collected the latter, these funds should be collected by the states and all of these funds should be distributed to local areas based upon the formulae used to distribute program funds.
9. Youth programs for in- and out-of school youth should continue to be developed and funded by local workforce investment boards acting in consort with their local chief elected officials. Funds for these programs should continue to be allocated to local areas. Funds should be used in part to address the needs of students making the transition from school to work and to assist those students no longer in school to develop the skills they need to enter the world of work; and provide career awareness information to K-12 students.
10. The performance standards and measures should be modified substantially and should focus on program outcomes and customer satisfaction. They should also include a regression analysis.

Fiscal/Urban/Rural Impact: WIA is guided by the private sector, with a proven track record for the development and implementation of innovative services that connect people to work and careers and provide business and industry access to the skilled workforce they need to compete in a global economy.

Sponsor: Commissioner Denise Winfrey, Will County, IL

Proposed Resolution Supporting the Improvement of the U.S. Department of Labor's Response to Local Workforce Reporting Standards

Issue: Improving the U.S. Department of Labor's (DOL) responsiveness to local workforce issues such as reporting standards.

Proposed Policy: NACo urges DOL to simplify and clarify its fiscal reporting system and allow monthly data to be submitted.

Background: DOL has unclear guidelines about the definitions of the various fiscal categories (expenditures, accruals, obligations, encumbrances) that local workforce areas and state agencies are to use. The lack of clarity makes it a challenge for agencies at any level to be consistent in what they report to DOL; thus the agency does not have a clear picture of the fiscal realities at local or state levels. Many local areas submit monthly fiscal reports to states. However, since DOL only sees quarterly financial reports, they don't have a clear understanding of the fiscal status of local workforce areas.

Fiscal/Urban/Rural Impacts: Consistent definitions, and more accurate data, will allow DOL to better understand the fiscal realities facing urban and rural areas, and allocate funding appropriately.

Sponsor: Commissioner Denise Winfrey, Will County, IL

Proposed Resolution Supporting Infrastructure Funding for Local One-Stop Career Centers

Issue: Dedicated infrastructure funding for local One-Stop Career Centers

Proposed Policy: NACo supports providing dedicated infrastructure funding for the facilities and operations of Local One-Stop Career Centers.

Background: The primary way for one-stops to pay for infrastructure costs is by taking allocations of programs and negotiating with local partners. The reality of this is that it takes funding away from intended program recipients. Additionally, the allocation approach can create disincentives for partnerships.

Fiscal/Urban/Rural Impact: All areas would benefit from the dedicated funding.

Sponsor: Commissioner Denise Winfrey, Will County, IL

Proposed Resolution Supporting Public Health Workforce Programs

Issue: Public health workforce programs

Proposed Policy: NACo supports workforce policies and funding priorities for public health workforce programs, which are responsive to both the supply of public health workers and the demand for their skills in urban and rural areas, to ensure that programs are appropriately tailored to the unique configuration of needs and resources in each state and in each local jurisdiction.

Background: Today our nation faces a widening gap between challenges to improve the health of Americans and the capacity of the public health workforce to meet those challenges. Health care workers represent roughly 12 percent of the American labor force. While these workers strive to provide high quality care and make important contributions, there are growing concerns that the U.S. does not have a sufficient supply of health care professionals to meet the demands of a changing and aging population.

As the population continues to age, a shortage of health care workers will become increasingly problematic. According to the Health Resources and Services Administration, the number of Americans over age 65 is projected to increase by 50 percent, between 2005 and 2020. During the same period, the number of physicians is projected to grow only 16 percent. An inadequate physician supply will not only affect the elderly, but also the 20 percent of Americans who live in underserved communities and already struggle to obtain access to medical care. Currently, one in five Americans lives in a primary medical care Health Professional Shortage Area (HPSA). Left unresolved, the workforce challenges will undermine the ability of this important and dedicated workforce to protect the public's health.

As America's workforce system is shifting from responding to the needs of the individual job seeker to responding to workforce needs in the local economy, and skills demanded by industry. Local workforce boards have made continuous strides, despite decreased funding, to address the public health workforce shortage through recruitment and retention programs, pipeline development, and training through apprenticeship and curriculum based programs.

Workforce Investment Boards have worked in partnership with area hospitals, nursing homes, community health centers, home health programs and community colleges to develop recruitment and retention programs that would bring new public health workers into the pipeline by advancing training programs through fast-track training, career coaching, support services, and targeted outreach to youth and older workers. Local workforce agencies have also increased education and training programs that will enable public health workers to sustain the skills and competencies to perform in an evolving public health environment

Fiscal/Urban/Rural Impact: Today our nation faces a widening gap between challenges to improve the health of Americans and the capacity of the public health workforce to meet those challenges. Workforce policies and funding priorities for public health workforce training must be responsive to both the supply of public health workers and the demand for their skills, to ensure that programs are appropriately tailored to the unique configuration of needs and resources in each state and in each local jurisdiction.

Ultimately, a comprehensive approach to the shortage is needed. Implementing federally funded student loan repayment and scholarship programs, coupled with additional investments in leadership development, recruitment, and training and education would constitute step in the right direction.

Sponsor: Commissioner Denise Winfrey, Will County, IL

Proposed Resolution Opposing New Taxes on Health Care Benefits

Issue: The possible application of the excise tax provided in the Affordable Health Care Act (ACA) to health insurance for county employees as well as the expansion of taxation on employer-provided health benefits

Proposed Policy: NACo opposes the taxation of health insurance benefits to county employees through the application of the ACA excise tax on health insurance benefits for county employees, the capping of the tax exclusion for employer-based defined contributions made by counties and any new taxes which would apply to the health benefits that counties provide to their employees.

Background: ACA includes a 40 percent excise tax on the cost of health insurance that exceeds $10,200 for individual coverage and $27,500 for family coverage, beginning in 2018. These thresholds are indexed to CPI, which has increased less rapidly than the cost of medical care, thereby insuring additional plans will be subject to the tax each year.

According to the Center for Medicare and Medicaid Services (CMS) Actuary, 12 percent of insured workers will be in plans affected by the excise tax in 2019, and this percentage will "increase rapidly" after 2019. Many county employees will be in plans affected by the excise tax, forcing public officials to pass the costs on to their employees or to reduce the scope of benefits included in their plan's coverage – such as reducing covered services or increasing cost-sharing requirements. Such decisions will unquestionably make it more difficult for counties to hire and retain good workers, many of whom were attracted to public service because of its health insurance package.

Other proposals to tax employee health benefits are also circulating. The House budget for FY2014 proposes capping the tax exclusion for employer-based health insurance through defined contributions made by employers. A recent Center for American Progress proposal would limit the health coverage tax exclusion for families with incomes above $250,000 to the value of the Silver Level of coverage that will be subsidized in the health insurance marketplaces (exchanges) established by the ACA. The Simpson-Bowles illustrative plan caps the tax exclusion for workplace coverage at the 75th percentile in 2014 (about $20,000 for family coverage), freezes the cap until 2018, and then phases out the exclusion over 20 years. This proposal would tax more and more benefits each year until all benefits are taxed in 2038.

Limiting the health care tax exclusion would lead to more cost-sharing (deductibles, copays, coinsurance). The economic theory behind taxing benefits is that health care cost inflation is driven by "excess insurance," which leads to excess demand, utilization, and spending. Taxing health benefits is intended to reduce this "excess insurance" by leading to more cost-sharing and reduced coverage. However, the enormous waste and expense of the U.S. health care system is not driven by consumers. Access to health care is unlike other market places. Health consumers rely on providers to tell them what to consume, and providers have market power and the ability to steer consumers towards higher-cost care.

About 80 percent of U.S. health care spending is for 20 percent of the population, so whether the remaining 80 percent of the population has low or high cost sharing has little to do with this key cost driver. Research has found that overall costs can increase, especially for people with chronic conditions, when cost-sharing forces people to self-ration their care. Forcing county tax payers to cover increased costs or asking county employees to pay more out-of-pocket for reduced coverage is not the answer to escalating costs of health care. All of these proposals result in the shifting of costs to public employees, rather than any real cost reduction.

Fiscal/Urban/Rural Impact: The ability of counties, especially in rural areas, to recruit and retain good employees is based in large measure on the access to quality health insurance coverage for the employees and their families. The impact of these potential tax measures would be amplified in rural American where the county's inability to offer attractive health insurance coverage will directly influence the quality of the workforce and the county's ability to deliver quality services to the citizens.

Sponsor: Association of County Commissions of Alabama

PUBLIC LANDS

PROPOSED PLATFORM CHANGES

Federal Land Management

I. Noxious Weeds <u>& Invasive Species</u>:

a. <u>NACo calls for a well-funded, coordinated, integrated weed management approach to noxious weed control. NACo supports an early detection and rapid response approach by all agencies and an accelerated completion of all required environmental documentation to allow the use of all the tools needed to accomplish integrated weed management, i.e. chemical, mechanical, biological, cultural or prevention.</u>

b. <u>NACo calls all counties to action to better protect Counties from the devastating impacts of invasive species and to do so in a coordinated manner among multiple levels of government. NACo finds that the environmental resources of each county are exceptionally valuable to all citizens, including hydroelectric power, agriculture, forest, water supplies, commercial and recreational fisheries, aquaculture, and outdoor recreation opportunities. NACo supports state and federal legislation that prohibits the transportation of any state or federally-listed invasive species, as well as efficient and effective agency action that stops other pathways of spread.</u>

Sponsor: Commissioner Ron Walter, Chelan County, WA

Federal Land Management

H. Forest and Rangeland Health:

NACo supports forest health initiatives to address the threat of catastrophic events to our public forest and rangeland resources. Federal land management agencies shall utilize an appropriate mix of management practices, and increased private, local, and state contracts and partnerships for pre-fire management, effective fire suppression, and restoration of federal forest and rangelands. As a goal, NACo supports legislation to direct and enable federal forest management agencies to reduce Fire Regime Condition Class (FRCC 3) to a standard of FRCC 1 in all federal forests by the year 2030, and to reduce FRCC 2 to the standard of FRCC 1 in all federal forests by the year 2050, through means of active landscape scale management, fuels reduction, and immediate post-fire restoration.

Sponsor: Association of Oregon Counties

Federal Land Management

D. Water:

NACo believes in state primacy in water resources administration, management, and allocation. Before any decision is made to continue drawdowns, removal or breaching of dams, a full review of all the relevant scientific and socioeconomic implications of such actions should be made and affected counties consulted.

NACo supports changes in current federal policy to provide the option to use mechanized equipment for maintenance of dams within designated Wilderness areas and Wilderness Study Areas (WSA).

NACo urges the U.S. government to acknowledge the importance of adopting definitive Arctic policies in order to protect national security and to further U.S. commerce.

NACo supports legislation and/or policy that will immediately limit liability for "Good Samaritans" performing voluntary, cooperative mitigation efforts on water discharging from abandoned mine sites which measurably improves water quality that has been impacted by mining activity where there is no financially responsible party.

Sponsor: Commissioner Lynn Padgett, Ouray County, CO

PROPOSED RESOLUTIONS

Proposed Resolution Supporting Funding for the Payment in Lieu of Taxes Program

Issue: Long-term funding source for the Payment in Lieu of Taxes Program (PILT)

Proposed Policy: Except for instances in which acquisition of private land may be necessary to comply with provisions of the Endangered Species Act, NACo supports designating the use of the Land and Water Conservation Fund as a sustainable source of funding for Payment in Lieu of Taxes.

Background: While it has been challenging to locate an available source of funding for PILT, the Land and Water Conservation Fund is a continual source of funding for federal land acquisition. Due to the inability of the federal government to meet its commitment to active management of federal lands and payments to local government, additional land acquisition makes this conundrum even more difficult. Therefore, additional land acquisition should be subordinate to adequate funding for land currently under federal management. However, in order for some potentially threatened or endangered species to avoid listing under ESA, acquisition of critical habitat may be necessary. In such instances, additional land acquisition should be supported by NACo.

Fiscal/Urban/Rural Impact: As local governments are unable to tax the property values or products derived from federal lands, PILT payments are essential to support essential government services (mandated by law) such as education, first responders, transportation infrastructure, law enforcement and healthcare in over 1,850 counties in 49 states, the District of Columbia, Guam, Puerto Rico and the U.S. Virgin Islands. Unless Congress acts, counties will receive their last fully funded PILT disbursement in June of 2013.

Sponsor: Commissioner Robert Cope, Lemhi County, ID

Resolution Supporting Active Federal Forest Management with Bridge Funding

Issue: While counties are deeply grateful for the financial lifeline of the Secure Rural Schools & Community Self-Determination Act (SRS), NACo urges a new direction in management of our federal forests, for the very health of the forests themselves, and for job opportunities and social and economic sustainability. While some form of "bridge funding" to maintain solvency in our counties will be required, particularly given the dominance of federal forest presence in many counties, it must be in concert with a new direction in federal forest management.

Proposed Policy: Legislation that provides bridge funding to forested counties and school districts while economic vitality is restored in these communities is vitally important and essential. Also, for economic vitality, Congress must mandate active sustainable forest management to achieve resilient forestlands managed by the United States government.

Background: SRS, and its subsequent reauthorizations by Congress, have greatly helped county public services and schools to continue for over a decade despite the sharp drop in active management of federal forests. Counties are well aware of the fragile nature of the federal budget, as the decline in revenue provided in the most recent extension of SRS makes clear the difficult circumstances in passing such legislation. Counties also know that the only sustainable answer to the health of our federal forests and the vitality of forest-dependent communities is long-term active management of the forests.

Fiscal/Urban/Rural Impact: Forested county communities would realize increased employment and reduction of potentially catastrophic fire threats. Urban areas would benefit from the enhanced economy and from reduced local taxation intended to support neighboring distressed rural communities. The nation would benefit from reduced greenhouse gas emissions and increased revenue to the national treasury from sale of material from the forests and the boosted economy.

Sponsor: Association of Oregon Counties

Proposed Resolution Supporting Traditional Receipt Sharing with Counties of Stewardship End Result Contracting Project Authority

Issue: The U.S. Forest Service and the Bureau of Land Management are seeking legislative authority to enter into stewardship contracts for management of federal forests and rangelands. Without action the authority will expire in 2013. The proposed reauthorization does not include, however, traditional sharing with counties of revenues generated from these projects.

Proposed Policy: NACo supports stewardship end results contracting projects as a tool to manage federal forests and rangelands, but only if it retains the historical receipts sharing with counties. In this context, the sharing should be based on the gross appraised value of the commodity or product harvested or produced under the contract or agreement.

Background: The 10-year authorization of stewardship end result contracting project authority, found in Sec. 232 of PL 108-7, on federal forests and rangelands will expire at the end of federal fiscal year 2013. The ten-year authorization of stewardship end results contracting projects serves as a tool to manage areas of federal forest lands that otherwise may not be commercially viable, by allowing exchange of goods for services. The current authorization does not include traditional revenue sharing with counties under federal laws related to National Forests and Oregon & California Railroad (O&C) lands. Those revenues shared with counties are used to provide services such as road access, law enforcement assistance, and education.

Traditional revenue sharing would be based on the gross appraised value of the commercial product, determined by prescription in the contract or agreement returned to the federal agencies. That is, the revenue sharing should be based on the total value of the material harvested or produced, without regard to the contracted goods for services provided in the exchange.

The 113th Congress is addressing stewardship end results contracting authority in both Chambers. Neither bill reinstates traditional revenue sharing with counties.

The federal promise that applies to commercial timber or other commodity sales should apply to all types of contracting on federal forests and rangelands.

Fiscal Urban/Rural Impact: Revenues produced by stewardship end results contracting projects will not be as significant as commercial sales, but counties and schools near federal forests and rangelands badly need the shared revenue to maintain local services that benefit the federal estate.

Sponsor: Association of Oregon Counties

Resolution on Utilization of Federal Timber after a Domestic Declaration of Disaster

Issue: Supporting federal law changes to increase the flow of federal timber for domestic reconstruction purposes (after the declaration of emergency) improves economies and community sustainability.

Proposed Policy: The Robert T. Stafford Disaster Relief and Emergency Assistance Act should be amended, specifically sections 307, 315, 316, 323, 421, and 683, to include provisions to require that reconstruction materials originate from federal forest lands. When federal dollars are allocated for disaster relief, changes to these sections would benefit schools, roads, and law enforcement in counties with federal forest lands.

Background: Natural and human caused disasters are unavoidable occurrences that bring with them inordinate amounts of human suffering and the United States Government has established a framework of laws and assistance designed to assist those most affected. Rebounding from disasters typically involves new construction activities to house residents and rebuild businesses. Current law stipulates that efforts should be made to bolster local economies through the unique market demands that are created around this kind of reconstruction.

In that counties benefit from the harvest of federal timber from National Forests that exist within or sometimes adjacent to their landbase, a triggering requirement that value added timber products necessary for reconstruction of a particular area come from the National Forest system would provide additional benefit to a great many people.

The Stafford Act already provides for an expedited sale of timber from National Forests through the authority of the Secretary of Agriculture (42 USC 5188), but points to a repealed statute regarding sale procedures.

Fiscal/Urban/Rural Impact: In 1908 when the National Forest system replaced the Forest Reserve system, it was stipulated that counties would receive 25 percent of the revenue from harvested timbers, with each state having the authority to distribute those dollars to schools and roads as they deem appropriate. Thus any improvement in timber harvest from this change would benefit county and school revenue.

Sponsor: Association of Oregon Counties

Resolution Urging Congress to Establish Community Forest Trust Pilot Programs

Issue: Revenues for counties with U.S. Forest Service (USFS) land

Proposed Policy: NACo supports the creation of a community forest trust pilot program that:

- Designates specific USFS land, or natural resources on specific USFS land, outside of wilderness designations to be managed by the states on behalf of counties and schools according to state land management practices and federal and state laws as they apply to state land;
- Allocates revenues generated from the management of these designated lands to all forest counties with the participating state using a mutually agreed upon formula;
- Establishes a management board of county commissioners submitted by a state association of counties (or comparable), and appointed by the governor for each participating state; and
- Allows the USFS to maintain ownership and fire management responsibility of the land.

Background: Congress has perpetually recognized special obligations to local governments and communities where the federal government has extensive land ownership. When federal forests were first established, the premise and promise was that local communities would welcome federal ownership as they would benefit both from the economic activity on federal forest lands and would receive a portion of the revenues generated from the sale of timber and other resources on those federal lands. Federal law required that 25 percent of the receipts from national forest resource sales be returned to the counties where those lands were located.

Beginning in 2000, Congress recognized that revenues from national forest activities had declined significantly and moved to meet the obligation to local governments and communities by enacting the Secure Rural School and County Self Determination Act (SRS). This law established transfer payment schedules for federal monies to be paid from the U.S. Treasury directly to the counties, proportionate to funds lost from timber harvest revenues, in order to meet the obligations of federal ownership. Since 2000, this law has been reauthorized twice and is now up for reauthorization again.

The SRS funding was always intended to be an interim measure that would be in place only until new programs on federal forest lands were established that would provide reliable and sustainable revenue to local counties. That transition has not come to pass. Instead, federal forest management has declined, and with it, so too has the revenue to the U.S. Treasury and local counties. New USFS programs targeted at landscape level forest restoration and fuels reduction have faltered or not come to fruition.

Fiscal/Urban/Rural Impacts: A community forest trust pilot program would provide stability in federal forest payments to forest counties and generate local jobs that will raise tax revenues in the respective jurisdictions.

Sponsor: PLSC Resolutions Working Group

Proposed Resolution Supporting Emergency Hazardous Fuels Reduction Projects

Issue: Supporting Emergency Hazardous Fuels Reduction Projects

Proposed Policy: NACo supports specific components of HR 818, the "Healthy Forest Management and Wildfire Prevention Act," which gives states the authority to identify areas afflicted by the bark beetle epidemic, drought, deteriorating forest health conditions, and high risk of wildfires and to put in place emergency hazardous fuels reduction projects.

Background: HR 818 was previously introduced in 2012 and passed the House Natural Resources Committee before running out of time during that session. It was reintroduced February 25, 2013 with bipartisan support from Representatives from several western states.

The provisions of HR 818 specifically supported by NACo include: Declaring risk of devastating wildfires an imminent threat; giving governors the authority to designate high-risk areas within the National Forest System and lands under the jurisdiction of the Bureau of Land Management; requiring governors to consult with county commissioners from affected counties and affected tribes in designating high-risk areas; allowing the Interior and Agriculture Departments' Secretaries, working in consultation with governors, affected county commissioners and affected tribes to designate high-risk areas on lands under their jurisdiction and to provide for the development of proposed emergency hazardous fuels reduction projects for high-risk areas in consultation with states; giving states the authority to provide for the development of proposed emergency hazardous fuels reduction projects for high-risk areas; applying expedited procedures and authorities under the Healthy Forests Restoration Act of 2003 to emergency hazardous fuels reduction projects in designated high-risk areas; requires consistency with applicable land and resource management plans or land use plans; permanently authorizes the Secretaries of the Interior and Agriculture to enter into cooperative agreements with state foresters to authorize the state forester to provide forest, rangeland, and watershed protection services on applicable federal lands (Good Neighbor Authority); extending stewardship contracting to 20 years; excluding Wilderness Areas and National Monuments while protecting all valid and existing rights on applicable lands; and providing expedited approval procedures for projects carried out in response to hazardous fuels in close proximity to utility or telephone infrastructure, campgrounds, road sides, heritage sites, recreation areas, schools and other infrastructure.

Fiscal/Urban/Rural Impact: Healthy forests and long-term authorization and implementation of the specific components of HR 818 will have positive fiscal impacts to counties and their economies.

Sponsor: Commissioner Lynn Padgett, Ouray County, CO

Proposed Resolution on the Federal Definition of Woody Biomass

Issue: Federal legislation needs to establish that renewable biomass from both federal and non-federal lands can be applied towards the existing renewable fuels standard and any renewable electricity standard.

Proposed Policy: NACo supports the definition of biomass from Titles I & III of the 2008 Farm Act (Farm Bill), which states that renewable biomass is:

- For Federal Lands: Materials that are byproducts of preventive treatments (e.g., trees, wood) that are removed to reduce hazardous fuels, to reduce or contain disease or insect infestation, or to restore ecosystem health; would not otherwise be used for higher value products; and are harvested from National Forest System land or public lands in accordance with public laws, land management plans, and requirements for old-growth maintenance.
- For Non-Federal Lands: Any organic matter that is available on a renewable or recurring basis from non-federal land or land belonging to Indian tribes, including renewable plant materials (feed grains, other agricultural commodities, other plants and trees, algae), waste material (crop residue, other vegetative waste material including wood waste and wood residue), animal waste and byproducts (fats, oils, greases, and manure), construction waste, and food waste/yard waste.

Furthermore, the Environmental Protection Agency (EPA) should encourage the development of renewable biomass energy by not regulating greenhouse gas emissions from biomass energy under the Clean Air Act, specific to the EPA Tailoring Rule and Boiler MACT.

Background: There is broad national agreement on the need for more renewable energy. However, the participation of public lands in the delivery of renewable energy faces a potentially serious constraint. Currently, the existence of multiple, and sometimes conflicting, definitions of renewable biomass in major energy policy legislation will seriously constrain the energy use of sustainably harvested woody biomass from public and other lands unless the definition is improved. In current law and legislation the definition varies greatly.

Our nation needs and deserves a consistent, easily understood definition of renewable biomass in legislation that allows sustainably harvested woody biomass to be utilized, no matter where it comes from. The nation would benefit from reduced greenhouse gas emissions, greater quantities of lower priced domestic motor fuel derived from a renewable source, increased employment, and an increase in the national treasury derived from the sale of material from public lands.

Fiscal/Urban/Rural Impact: Forest county communities would realize increased employment and the reduction of a potentially catastrophic fire threat. Urban areas would benefit from reduced local taxation intended to support neighboring distressed rural communities.

Sponsors: Commissioner Alan Gardner, Washington County, UT; Commissioner Leland Pollock, Garfield County, UT

Proposed Resolution on Hazardous Fuels Emergency

Issue: Accumulation of biomass on federal lands.

Proposed Policy: NACo calls on Congress to grant a Governor the authority to declare a state of emergency when the severity of fire danger from fuels on identified federal lands within that state poses a significant threat to public health and safety.

Background: Change in federal policy regarding harvest of timber and active management on our federal lands has created unhealthy landscape conditions. Many federal lands are clogged with diseased, dying, and dead trees and other vegetation. Overall temperatures are rising in the west and drought conditions are expected to continue.

Some 73 million acres, or 38 percent, of the nation’s federal forests are at “a high risk of ecologically destructive wild land fire”, according to a 2007 report of the Inspector General of the U.S. Department of

Agriculture. The conditions have grown worse since then. An average of seven million acres of forest has burned each year for the past ten years in the U.S., primarily on federal lands. Moreover, an estimated 47.5 million metric tons of greenhouse gases were released in 2010 in the U.S. by forest fires.

Fiscal/Urban/Rural Impact: Rehabilitation measures following a declaration by the governor will bring healthier forests, more carbon sequestration, better air quality, improved local economies, increased tourism, and support for innovations in alternative fuels and renewable forest products.

Sponsor: Association of Oregon Counties

Proposed Resolution Supporting Reintroduction of the Community Forestry Conservation Act of 2011 and the Use of Community Forestry Bonds

Issue: Authorizing the use of municipal debt (Community Forestry Bonds) as a tool to help keep working forests in communities across the nation.

Proposed Policy: NACo supports the reintroduction and passage of *The Community Forestry Conservation Act of 2011.*

Background: The U.S. Forest Service estimates that 23 million acres of forest land will be lost by 2050. With economic conditions encouraging such forest loss, the long-term viability of rural mills, jobs and tax base are threatened, along with public values including habitat, water quality and carbon storage. At the same time, approximately 84 percent of America's industrial forests have changed hands in the past ten years. This unprecedented level of transaction activity is expected to continue in smaller and smaller parcels. With both timber and environmentalists being concerned about this trend, there are opportunities for large-scale working forest conservation purchases – with funding for such purchases being the limiting factor.

The *Community Forestry Conservation Act of 2011* would authorize Community Forestry Bonds to be used as a new financial tool that conserves working forests while providing jobs and respecting landowner property rights. In short, tax-exempt revenue bonds would be issued to allow for the acquisition of forests by a qualified buyer. The low-cost bonds will be revenue bonds, backed by the revenue stream generated by the sustainable timber harvest and other income producing attributes of the property. The land will be owned in fee by the qualified buyer.

While most forestry issues create strong disagreements among various parties, the Act is supported by over 75 timber industry, labor, environmental, finance and community leaders.

The *Community Forestry Conservation Act of 2011* will benefit local governments and communities. Local governments will continue to receive tax dollars that result from the continued land management. If a municipality participates financially, it could benefit from revenue flow. Also, public environmental benefits can be achieved across a broader landscape at a much lower financial and political cost.

Fiscal/Urban/Rural Impacts: If the Community Forestry Bonds program is fully authorized at $3 billion in private investment, it is estimated to generate 14,956 jobs per year. In turn, these jobs will generate $552 million per year in wages, resulting in $77 million per year in associated tax revenue. Assuming no inflation, this bill will generate $5.52 billion in wages, resulting in $710 million in tax revenues over ten years. The Congressional Budget Office scored a $1.5 billion version of the act at $275 million over ten years.

Sponsor: Commissioner Rachel Richards, Pitkin County, CO

Proposed Resolution Supporting the Full and Immediate Implementation of the Transfer of Public Lands

Issue: Transfer of public lands

Proposed Policy: NACo believes all fifty states are equal and that every state should receive everything that was promised to them in their enabling acts, including land transfers.

Background: At statehood, the federal government promised all states, in their enabling acts, that it would transfer title to the public lands within the newly created states.

The U.S. Supreme Court has called these promises "solemn compacts," "bilateral agreements," and "trusts" that must be performed "in a timely fashion".

States like Illinois, Missouri, Indiana, Florida, Louisiana, Arkansas, Alabama, and Mississippi were once as much as 90 percent federally controlled for decades. These "Western States" (as they called themselves at the time) succeeded in compelling the federal government to transfer their public lands because they understood the historical duty of the federal government to dispose of the same, and they banded together and refused to be silent or take "No" for an answer because federally controlled public lands prevented them from (i) generating tax revenues to educate their children, (ii) growing their economies, (iii) caring for their lands, and (iv) responsibly utilizing their abundant natural resources.

The current western states are still waiting for the federal government to honor the same promise it made and kept with all states east of Colorado.

Despite the fact that the promise is the same to dispose of the public lands upon being admitted as states, states east of Colorado have less than 5 percent federally controlled lands, while the western states (excluding Hawaii) have more than 50 percent federally controlled lands.

Fiscal/Urban/Rural Impact: The transfer of federal lands to state ownership will have many positive effects including, responsible development of natural resources, higher paying jobs, a growing tax base, and the ability to generate higher revenue for schools and local government.,

Sponsors: Commissioner Demar Dahl, Elko County, NV; Supervisor David Tenney, Navajo County, AZ; Judge Daniel Joyce, Malheur County, OR; Commissioner Alan Gardner, Washington County, Utah; Commissioner Ron Walter, Chelan County, WA; Commissioner Tommie Herrell, Otero County, NM; Commissioner Dave Radford, Bonneville County, ID; Commissioner Deb Wolfley, Lincoln County, WY

Proposed Resolution Supporting an Amendment to the Antiquities Act to Require Congressional Approval and NEPA Review Before a Presidential National Monument Proclamation Becomes Effective

Issue: National Environmental Policy Act (NEPA) review and congressional approval prior to establishment of a national monument

Proposed Policy: NACo supports Congressional revision of the Antiquities Act of 1906 to require that any Presidential National Monument proclamation be subject to NEPA review and Congressional approval before becoming effective.

Background: Congressional oversight and full NEPA analysis and public review are necessary to curb last minute presidential designations of large tracts of lands for National Monument status, some of which are high value energy areas and important to the American people for resources above and beyond that of just recreation. An important policy reason for passage of NEPA was to have large tracts of public lands scrutinized by public and local government input before significant federal action is taken on those lands. That policy applies most critically to large land tracts being proposed presidentially for National Monument designation. Recent use of the Antiquities Act for large tract designation without giving reasonable notice to state and local governments and members of Congress, has gone beyond the spirit of NEPA and well beyond original congressional intent to designate the smallest portion of land needed to represent certain objects of historic and scientific interest. Congressional oversight and full NEPA review of Presidential National Monument proposals are needed.

Fiscal/Urban/Rural Impact: Critical multiple use activities will be preserved if Presidential National Monument declarations are subjected to NEPA and Congressional review and approval. This will preserve the economic base, prosperity and livelihood of many western counties and their economies.

Sponsor: Commissioner John Jones, Carbon County, UT

Proposed Resolution in Support of Wilderness Legislation with County Input and Support

Issue: Supporting multiple uses on all federal and state public lands so that conservation and development of natural resources is balanced with consideration of local needs. The efficient administration, conservation and development of Colorado's natural resources must be balanced with protection of the environment and consideration of local needs.

Proposed Policy: NACo supports special land designations of federal lands that are proposed by local residents and businesses, is consistent with existing land use policies, and is strongly supported by the affected counties and stakeholders within which the designation is proposed. NACo strongly encourages congressional delegations to only consider future wilderness legislation with affected counties' support, as exemplified by S. 341, the San Juan Wilderness Act.

Background: The San Juan Wilderness Act was previously introduced in 2009 and 2010. It was reintroduced February 14, 2013 by Senator Mark Udall (D-CO), and co-sponsored by Colorado Senator Michael Bennet (D-CO). It will expand wilderness areas by designating federal lands adjacent to existing wilderness areas. The Act includes designation of approximately 3,350 acres as the Wilson, Sunshine, Black Face and San Bernardo Additions to the existing Lizard Head Wilderness; 8,250 acres as the Liberty Bell and Last Dollar Addition and 13,000 acres as the Whitehouse Addition to the existing Mount Sneffels Wilderness; 8,600 acres of Bureau of Land Management Land as McKenna Peak Wilderness; and 21,620 acres of National Forest lands as the Sheep Mountain Special Management Area."

On June 18, the Senate Committee on Energy and Natural Resources ordered S. 341 to be reported with amendments favorably. It received bipartisan support.

The proposal does NOT affect any currently allowed uses on the affected lands. It does NOT change legal motorized or mechanized access or heli-skiing on Sheep Mountain. It protects the sole watershed providing domestic water for the Town of Ridgway in Ouray County and important source waters for agricultural irrigation ditches. It includes appropriate language to permit livestock grazing to continue in the Whitehouse Expansion of the Sneffels Wilderness Area as provided under current law, including reasonable motorized access to facilitate use of livestock grazing.

The San Juan Wilderness Act was originally introduced after more than 8 years of stakeholder meetings with local and regional representatives of local governments including counties, motorized and unmotorized recreation, agriculture and grazing, hunting, private properties, and local businesses. It has been officially supported by all of the affected local governments including Ouray, San Miguel and San Juan County Boards of County Commissioners; the city of Ouray, and the towns of Ophir, Ridgway, Mountain Village, Telluride and Norwood.

The process of proposing the San Juan Wilderness Act is the kind of model process involving a local grass-roots proposal being created through an exhaustive vetting with local stakeholders including all potentially affect water rights owners, grazing allotment holders, mining claim owners, adjacent private property rights interests, hunters and outfitters, early and often throughout the process. The San Juan Wilderness Act does not increase the acreage of federal lands and does not extinguish any currently allowed uses on these lands.

In a letter dated February 22, 2010, the Public Lands Steering Committee of Colorado Counties, Inc. unanimously supported the "long process" of determining which lands deserve designation by then Representative Salazar and Senator Udall because it "included discussions with local governments and incorporated their feedback; actively sought out public input from a wide variety of stakeholder groups; protected the balance between recreational users and environmental needs; and showed how government on the local, state and federal level is able to navigate opinions and desires to craft good legislation."

In addition, Colorado Counties Inc. (CCI) supports special land designations (including Wilderness) that are consistent with land use policies within the counties and are supported by the county within which the designation is proposed. CCI strongly encourages the Colorado congressional delegation to base future wilderness legislation with county support.

Fiscal/Urban/Rural Impact: The affected communities and businesses support the San Juan Wilderness Act because it properly protects special habitats and important game habitat, unique vistas, municipal source watersheds, and existing multiple uses in a manner that will have a positive economic impact on local communities and the region.

Sponsors: Commissioner Lynn Padgett, Commissioner, Ouray County, CO; Commissioner Peter McKay, San Juan County, CO; Commissioner Joan May, San Miguel County, CO.

Proposed Resolution Supporting Uranium Activities

Issue: On January 9, 2012, the Secretary of the Interior, using faulty information, withdrew one million acres of the nation’s highest grade uranium ores from mineral entry in Northern Arizona.

Proposed Policy: NACo believes that the January 12, 2012 withdrawal for Northern Arizona should be overturned, or revoked, and the lands returned to multiple use status, and under the terms of the 1984 Arizona Wilderness Act, release of lands not suitable for wilderness (except in Coconino County), as long as operators continue to abide by existing state and federal environmental laws, regulations, and standards, including reclamation.

Background: Under the authority of the 1984 Arizona Wilderness Act, uranium exploration and mining activities have occurred on Bureau of Land Management (BLM) land in northwest Arizona known as the Arizona Strip and on similar U.S. Forest Service (USFS) lands south of the Grand Canyon. A comprehensive review as part of the Department of Interior’s recent draft Environmental Impact Statement (EIS) has assessed impacts to the Grand Canyon Watershed and determined that no significant impacts from mining exist and that any surface impacts which do exist can be mitigated. Excerpts from internal e-mails of National Park Service personnel commenting on the draft EIS on water contamination in the Grand Canyon National Park:

"My personal and professional opinion is that the potential impacts stated in the DEIS as (sic) grossly overestimated and even then they are minor to negligible."

"The DEIS goes to great lengths in an attempt to establish impacts to water resources from uranium mining. It fails to do so, but instead creates enough confusion and obfuscation of hydro geologic principles to create the illusion that there could be adverse impacts if uranium mining occurred."

"There exists no information we could find that would contradict his conclusion, nor any hypotheses suggested as to how contamination of park waters might physically occur."

"This is obviously a touch case where the hard science doesn't strongly support a policy position. Probably the best way to "finesse" this would be fall back on the "precautionary principle" and take the position that in absence of even more complete certainty that there is no connection between uranium mines and regional ground water, we need to be cautions (sic)??"

The uranium withdrawn from production represents forty percent of our nation's domestic uranium resources and the deposits contain the highest-grade existing in the United States. According to a report conducted by the American Clean Energy Resources Trust, a ban on mining in this region could impact as many as 1,000 jobs and more than $29 billion in economic revenue.

On January 9, 2012, the Department of Interior announced that it would impose a twenty-year ban on uranium development on approximately one million acres of federal land in northern Arizona. The decision disregarded a negotiated compromise between the mining industry and environmental groups, which affirmed the compatibility of mining with conservation interest in areas not locked away by the Wilderness Act. The historic agreement was partially codified in the Arizona Wilderness Act of 1984. It was done as a "precaution to protect the water."

Fiscal/Urban/Rural Impact: Southern Utah counties and Mohave County, Ariz. are aware of economic studies which estimate conservatively that some $29 billion in economic benefits due to mining will occur. The counties will benefit from sustained economic activity related to the ongoing uranium mining operations.

Sponsors: Commissioner Alan D. Gardner, Washington County, UT; Supervisor Buster Johnson, Mohave County, AZ; Commissioner Leland Pollock, Garfield County, UT; Commissioner Dirk Clayson, Kane County, UT; Commissioner Phil Lyman, San Juan County, UT

Proposed Resolution Opposing BLM's 2012 Decision to Reduce Lands Available for Oil Shale and Tar Sands Leasing

Issue: The Bureau of Land Management's (BLM) 2012 Programmatic Environmental Impact Statement (PEIS), which greatly reduced the areas approved by BLM in 2008 for oil shale and tar sands leasing programs in Utah, Wyoming and Colorado

Proposed Policy: NACo urges BLM to reverse the 2012 PEIS and approve for oil shale and tar sands leasing all qualifying lands in Utah, Wyoming and Colorado.

Background: Declining domestic oil production and increasing world demand have left our nation so vulnerable to rising energy costs and shortages, that Congress in The Energy Policy Act of 2005 directed the BLM to consult with western governors and stakeholders to develop a commercially viable oil shale and tar sands program in the tri-state region of northeast Utah, southwest Wyoming and northwest

Colorado, the virtual "Saudi Arabia" of oil shale and tar sands where the oil equivalent of recoverable deposits exceeds four trillion barrels per the latest USGS scientific estimate. A BLM Oil Shale and Tar Sands Programmatic Environmental Impact Statement (PEIS) and Record of Decision followed in 2008, amending ten land use plans to open up approximately two million acres of public lands in this tri-state region for potential leasing and development of oil resource.

However, in 2012 the BLM adopted a PEIS which drastically shrinks, diminishes and in many areas outright reverses virtually all of the lands approved for development in 2008, with no new supporting data and science. The April 14, 2011 Federal Register notice announcing this effort declared it was done under the authority of Secretary of Interior Wildlands Order 3310 and its implementing instructional handbooks. A week later, on April 21, 2011, Congress imposed a spending moratorium on all Department of Interior/BLM activities to enforce and implement Order 3310 and its regulations. Yet the BLM continues to ignore this moratorium by pushing forward on this subsequent PEIS, manifesting bald contempt of Congressional exclusive spending authority and portending a Constitutional crisis.

America cannot afford this unlawful effort to close down the majority of the two million acres of oil shale and tar sands rich lands that were legitimately approved for leasing in 2008. The BLM must comply with the 2005 Energy Policy Act and respect Congressional exclusive spending authority by sticking with BLM's original 2008 approval of acreages for oil shale and tar sands leasing.

Fiscal/Urban/Rural Impact: Oil shale and tar sands development at a commercially feasible scale is possible only when already approved leasing and development areas are preserved, providing much needed economic opportunities for the revitalization of western rural counties. Counties in Utah, Wyoming and Colorado have numerous workers who will benefit from the jobs created by oil shale development.

Sponsors: Commissioner Mike McKee, Uintah County, UT; Commissioner Audrey Danner, Moffat County, CO

Proposed Resolution Opposing BLM's Promulgation of Duplicative Hydraulic Fracturing Regulations

Issue: The Bureau of Land Management's (BLM) intent to adopt duplicative hydraulic fracturing rules

Proposed Policy: NACo is opposed to a BLM hydraulic fracturing rule that does not clearly and fully defer regulation of hydraulic fracturing to states that already have in place comprehensive regulations.

Background: On May 11, 2012, the BLM published an initial proposed hydraulic fracturing rule. The BLM granted a 60 day comment extension and the public comment period closed on September 10, 2012. After reviewing and incorporating comments on the proposed rule, the BLM now proposes to revise its initial proposed rule. On May 25, 2013, the BLM published a revised proposed hydraulic fracturing rule. Comments on the new revised rule were initially due on June 25, 2013; however, the BLM has granted a 60 day comment extension. Comments are now due on August 23, 2013.

The BLM's revised proposed rule would apply to all wells administered by the BLM, including those of federal (including federal mineral only – i.e. split estate), tribal, and individual Indian trust lands. The rule acknowledges that some states (the rule lists Colo., Wyo., Ark., and Texas) have issued their own regulations. However, the revised proposed rule also states that operators with leases on federal lands would have to comply with both the BLM rules and regulations and the states rules and regulations for hydraulic fracturing. This double layer of regulation is duplicative and unnecessary.

The BLM's current revised proposed rule does provide a provision which would allow the BLM to approve a variance that would apply to state, tribal, or described as field-wide or basin-wide, that is commensurate with the state or tribal regulatory scheme. The BLM would have to determine if the variance meet or exceeded the effectiveness of the revised proposed rule. It appears that the proposed variance would apply only to operational activities and not the actual approval process; it also appears the variance process would not apply to disclosure or hydraulic fracturing chemical components or trade secret requests.

The proposed BLM rule is extremely vague as to how the BLM will work with states to avoid duplication. As currently written the proposed rule provides only the following direction on the potential for state/tribal variances: 43 CFR 3162.3-3(K) … In cooperation with a State (for Federal lands) or a tribe (for Indian lands), the BLM may issue a variance that would apply to all wells within a State or within Indian lands, or to specific fields or basins within the State or the Indian lands, if the BLM finds that the variance meets the criteria in paragraph (k)(2) of this section." Additional language states that the authorized office may only grant a variance if the BLM determines that the proposed alternative meets or exceeds the objectives of the regulation for which the variance is being requested. Further, the decision whether to grant to deny a variance is entirely within the BLM's discretion and the BLM may rescind a variance or modify any condition of approval due. The language in the proposed BLM rule does not defer to comprehensive regulations already in place in a number of states, nor does it provide sufficient guidance as to how the BLM may defer in the future. Therefore, the BLM's revised proposed hydraulic fracturing rule is unnecessarily duplicative of existing comprehensive state regulation of hydraulic fracturing.

Fiscal/Urban/Rural Impact: The promulgation of duplicative hydraulic fracturing rules may cause delays in permit approval or perhaps discourage the development of some wells altogether. Most of the land and minerals under the BLM's control are located in the west. Many counties in the west rely upon the revenue generated from the production of oil and gas development. Reductions in the revenue generated from oil and gas development may have a direct impact on the services that counties are able to provide. BLM budgets and expertise are already stretched thin and additional regulatory requirements may impact existing programs.

Sponsor: Wyoming County Commissioners Association

Proposed Resolution to Rescind the BLM's "Master Leasing Plan" Oil and Gas Leasing Reform

Issue: Rescind the Bureau of Land Management's **(**BLM) Master Leasing Plan Instruction Memorandum and Related Guidance.

Proposed Policy: NACo strongly urges the Department of Interior (DOI) Secretary and the BLM Director to immediately rescind BLM Instruction Memorandum No. 2010-117 and all related guidance, because they attempt to implement so-called "Master Leasing Plan" reforms that unlawfully override duly established BLM Resource Management Plans (RMPs) without local government input.

Background: Many local BLM Field Office RMPs were revised and updated during the past decade through the investment of much time, money and effort on the part of local governments and other cooperating agencies. RMPs are the only legally valid framework for determining the availability, conditions and stipulations for oil and gas leasing and drilling activities in the respective BLM field office planning areas.

DOI and BLM are trying to do an end-run around these RMPs and greatly restrict the extent of oil and gas leasing and drilling activities which these RMPs have approved, through the top-down ordering of so-called Master Leasing Plans, secretly negotiated with extreme environmental groups, and forced upon BLM field offices through BLM Instruction Memorandum 2010-117 dated May 17, 2010 (IM No. 2010-117). State and local governments were left completely out of any process to develop these Master Leasing Plans.

These Master Leasing Plans are really master lease cancellation and restriction plans. These Master Leasing Plans violate the Federal Land Policy and Management Act (FLPMA) and the National Environmental Policy Act (NEPA) by circumventing the Resource Plan and Plan Amendment Process, and in many instances they promote and enforce a de-facto wilderness policy in violation of FLPMA and the RMPs. They are top-down dictates issued with no local government input, done at the behest of extreme environmental groups who threaten crippling legal action unless BLM complies with their wishes. And they (the Master Leasing Plans) largely prop up the archaic “wilderness-at-all-costs-and-in-all-corners” vision of these extreme environmentalists who try to interfere with reasonable oil and gas development on the public lands.

The active management of America’s public lands to accommodate beneficial multiple uses such as responsible oil and gas exploration and development is essential to the public health, safety and economic vitality of communities across the United States. Cutting off mineral development access on public lands by overriding duly established RMPs prohibits activities vital to the nation, including mineral exploration and harvesting.

Fiscal/Urban/Rural Impact: Revenues generated from oil and gas leasing support critical state and local government services and loss of such revenues would further cripple the economies of local communities and place unnecessary new burdens on state and local government and school budgets.

Sponsors: Commissioner Mike McKee, Uintah County, UT; Commissioner John Jones, Garfield County, UT

Proposed Resolution Urging Congress to Expedite a Commercial Oil Shale Leasing Program

Issue: Oil shale leasing program in Utah and Wyoming

Proposed Policy: NACo urges Congress to address in a timely manner, the regulatory review process in order to facilitate a functioning, environmentally responsible commercial oil shale leasing program in Utah and Wyoming.

Background: Declining domestic oil production and increasing world demand leave our nation vulnerable to rising energy costs. With gas prices hovering near $4 per gallon and rising, businesses and households across America are struggling to get by. Our standard of living and national security are jeopardized as oil producing capacity shifts to other countries. Alternative energy development is laudable but will make only small dents in national fuel demand. Public outcry over burgeoning energy costs is quickly reaching a crescendo. It is time to develop our nation's vast oil shale resources.

The United States has more than seventy percent of the world's oil shale. According to U.S. Geological Survey (USGS) estimates, there are 4.28 trillion barrels of in-place oil shale reserves in the Green River Formation located in Colorado, Utah and Wyoming. In place reserves deposits are estimated at 1.5 to 1.8 trillion barrels of shale oil, 800 billion barrels of which are easily recoverable. That will supply 100 percent of America's current domestic petroleum needs for more than 100 years. The intermountain west is truly the "Saudi Arabia" of oil shale. Industry has new technologies that will make oil shale extraction feasible, clean and efficient, with minimal and reclaimable disturbance.

The Oil Shale and Tar Sands Development Act of 2005 called on the Department of Interior to complete an environmental study and issue regulations for oil shale leasing 28 developments on public lands. But last year Congress passed a law prohibiting the Bureau of Land Management (BLM) from completing those regulations. Also, BLM turned what should have been an oil shale leasing environmental study, into a mere resource allocation study, which makes more studies necessary before actual leasing may begin.

America cannot afford years of delay to wade through these additional layers of bureaucratic review. Congress must streamline the overall process to quickly achieve a viable, functioning commercial oil shale leasing program. This is what Congress intended in 2005. Congress must allow completion of final oil shale regulations and streamline the regulatory process to pave the way for a commercial leasing program to begin. A multi-year delay in this process is untenable in the face of ever-rising gas prices rise and dwindling fuel supplies.

Fiscal/Urban/Rural Impact: Oil shale development will go forward when the final oil shale regulations are in place, providing much needed economic opportunities for the revitalization of rural counties in the intermountain west. Utah and Wyoming have workers who will benefit from the jobs created by oil shale development.

Sponsor: Commissioner Mike McKee, Uintah County, UT

Proposed Resolution Supporting Funding for Our National Parks

Issue: Federal funding for the National Park Service (NPS)

Proposed Policy: NACo calls on Congress to preserve funding for America’s national parks. NACo supports maintaining funding for the National Park Service (NPS), recognizing that national parks provide recreation, economic and tourism opportunities for counties, and gateway communities. NACo also urges Congress to increase funding for the NPS to address the dire backlog of maintenance projects, now totaling $11 billion, which includes critically needed road access and bridge maintenance projects. Potential funding sources include utilizing some eligible, but unfunded off-shore gas and oil lease monies that are dedicated to Land and Water Conservation Fund (LWCF) for support of maintenance and operations for NPS.

Background: In today’s dollars, the budget for the NPS is $465 million, or 15 percent less than it was ten years ago. The NPS budget has been cut by more than $140 million, or six percent, over the last two years, and even more when accounting for inflation. This reduction in funding means that the NPS is struggling to keep the parks safe, provide and protect access, serve the public, and protect our resources. The NPS operations budget faces a $500 to $600 million shortfall, a deferred maintenance backlog of more than $11 billion, including more than $3 billion for the most critical projects to protect resources, access, visitor safety and enjoyment.

Although the budget for the entire NPS constitutes only 1/13th of one percent of the federal budget, national parks face an alarming threat of deep funding cuts as a result of the current budget and deficit debate for additional cuts in FY 2013 and beyond. Cuts from sequestration would cut park’s accounts across the board by as much as eight to ten percent, threatening deep impacts, not only to resource protection, but also to visitor safety and enjoyment. Other broad budget proposals could lead to discretionary cuts that would lead to closed parks.

The NPS is not only responsible for managing our national parks; they support private-sector jobs and provide law enforcement. They protect the outstanding resources that people come to enjoy and maintain infrastructure important to rural communities. Inadequate funding or further cuts would be deeply harmful. Further cuts could mean:

- An elimination of seasonal rangers, who ensure visitors have a safe and enjoyable experience;
- A decrease in available law enforcement staff;
- Some parks would shorten hours or be forced to close campgrounds or visitors centers;
- Emergency response times in many areas could increase;
- Critical access roads may be closed; and
- Many potential visitors to the parks may choose to travel, and spend their money, elsewhere.

National Parks are critical to local economies. In 2010, the NPS received 281 million recreational visits that contributed more than $31 billion to local economies and supported 258,000 jobs.

Preventing further cuts to parks and supporting a trajectory towards sustainable funding has the potential to create jobs for counties. Recent research found that every dollar invested in the NPS operations generates approximately $10 million in gross sales revenue. Every two NPS jobs yield one job outside the NPS. In addition, if the NPS could address the backlog of maintenance projects, such as trail maintenance and road access projects, it could directly produces jobs in communities surrounding parks through construction contracting. The NPS also estimates that 14 to 16 jobs are created for each million dollars invested in the parks construction budget. If the federal government does not adequately fund national parks, gateway communities and counties could lose millions of valuable tax dollars and jobs.

Fiscal/Urban/Rural Impact: If national parks are not maintained, there will be a decline in visits to national parks and, consequently, a decrease in their economic benefit to counties and gateway communities. In the context of the federal budget debate, national parks cost very little, yet deliver countless benefits to counties across the country. There is no direct cost to counties if funding to the National Parks Service is increased.

Sponsor: Commissioner Rachel E. Richards, Pitkin County, CO

Proposed Resolution on Reforms to Mandate Greater Local Control in ESA Listing, Habitat, Recovery and Delisting Decisions

Issue: The need for Endangered Species Act (ESA) reform to allow greater local control of listing, habitat, management and delisting decisions

Proposed Policy: NACo supports reforming the ESA to require federal agencies to treat state and county governments as cooperating agencies, granting them full rights of consultation and consistency to decide jointly with appropriate federal agencies when and how to list any species, designate habitat, manage for recovery, and eventually delist the species.

Background: NACo supports the protection of endangered species, but regulations and lawsuits brought under the ESA have endangered public lands timber, grazing and energy development to the brink of extinction in some areas. There is minimal species improvement to show for this economic harm, as less than 15 of the more than 1,300 species listed under the ESA have been recovered.

Greater local control and litigation reforms are long overdue. Congress should mandate the naming of state and county governments as cooperating agencies with full rights of consultation, consistency, and equal say with appropriate federal agencies to decide jointly when and how to:

- list species;
- designate habitat or do away with a critical habitat designation;
- devise a recovery plan;
- perform and publish economic impact studies, hold public hearings in affected areas and fully and equally consider socio-economic issues all before listing species, designating habitat or devising recovery plans;
- allow private property owners and public lands stakeholders to adversely modify listed species habitat;
- compensate such owners and stakeholders with federal monies for any listing or management actions which de-value their property and leaseholds;
- establish prompt and simplified “delisting” or “downlisting” criteria which, when met, automatically result in delisting;
- make public all litigation costs and other expenditures incurred by federal agencies in the conservation of species;
- focus on the big picture of overall species viability rather than on subspecies and local populations;
- prioritize recovery efforts so the most important species or species with the best chance of recovery receive the most attention;
- give more weight to independent scientific peer reviewers than to U.S. Fish and Wildlife Service employees and
- give more weight to scientific facts and data than to computer models.

Fiscal/Urban/Rural Impact: Any improvement to the management of endangered species would provide greater certainty to public lands timber, grazing and energy development activities, and improve local economies at the county level and benefit county revenue.

Sponsors: Commissioner Mike McKee, Uintah County, UT; Commissioner Alan Gardner, Washington County, UT

Resolution Opposing the T&E Listing of the Gunnison Sage Grouse and Designation of Critical Habitat

Issue: Whether The U.S. Fish and Wildlife Service (USFWS) should forego listing the Gunnison Sage Grouse as a threatened/endangered species under the Endangered Species Act and forego designating significant acreages of private land in San Juan County, Utah and ten counties in western Colorado as critical habitat for the species, and instead recognize locally driven management and conservation efforts as adequate to conserve and restore the species.

Proposed Policy: Ongoing voluntary efforts of ten Colorado counties and one Utah county where Gunnison Sage Grouse occur, are adequate to manage, stabilize and restore Gunnison Sage Grouse habitat and populations, such that a Threatened and Endangered (T&E) listing of this species is not necessary. It is arbitrary and improper for the USFWS to allow voluntary efforts to manage and conserve the Greater Sage Grouse west wide, but not allow similar voluntary efforts to manage and conserve the Gunnison Sage Grouse species. Both the Greater and the Gunnison species of Sage Grouse should be treated the same way by U.S. Fish and Wildlife Service through voluntary management efforts at the state and local level.

Background: San Juan County, Utah and ten Colorado counties have signed a Memorandum of Understanding (MOU) regarding the voluntary management of the Gunnison Sage Grouse. In addition, these same counties are drafting an “umbrella” Conservation Agreement (CA) to further refine cooperative actions for the conservation of the species. USFWS should regard this MOU and CA-based voluntary effort the same way it did an umbrella plan in Texas/New Mexico used as a basis to withdraw the proposed listing of the dune sagebrush lizard. Local voluntary efforts correctly recognize that drought caused impacts to vegetation and predation are the most significant factors affecting Gunnison Sage Grouse populations. Pursuant to this MOU the affected counties and stakeholder working groups are attempting to address these factors through programs of common raven control, water developments to improve wet meadow habitat, sage brush plantings, seedings to improve drought tolerant vegetation composition, sage grouse-friendly grazing practices, and select land purchases by such groups as The Nature Conservancy for conservation purposes. All of these voluntary practices, driven at the local level, are adequate and in fact more effective for managing and conserving the GSG, than any T&E listing.

Fiscal/Urban/Rural Impact: There will be significant and unwarranted impacts to other public lands multiple uses, as well as private lands uses, in 10 Colorado counties and one Utah county if the Gunnison Sage Grouse were listed at this time. San Juan County, Utah, for example, is 92 percent federal and state land and only 8 percent private. A T&E listing of the Gunnison Sage Grouse would impact 35 percent of that small privately owned land mass, which would effectively cripple the county's private agricultural economy, fragile as it is already.

Sponsor: Commissioner Bruce Adams, San Juan County, UT

Proposed Resolution Supporting Ongoing Efforts of Western States to Manage and Conserve the Greater Sage Grouse and in Opposition to an ESA Listing of the Greater Sage Grouse at This Time

Issue: Whether the U.S. Fish and Wildlife Service (USFWS) should give deference to the efforts of the western states and local governments to manage and conserve the Greater Sage Grouse and recognize those state efforts as adequate enough to forego any Endangered Species Act (ESA) listing of the Greater Sage Grouse as threatened or endangered.

Proposed Policy: Ongoing Greater Sage Grouse management efforts of state and local governments, stakeholder, working groups, and Bureau of Land Management (BLM)/U.S. Forest Service (USFS) Resource Management Plans (RMPs) and Land Use Plans throughout the eleven western states are protecting and restoring Greater Sage Grouse habitats and reviving populations. Therefore, NACo opposes listing the Greater Sage Grouse as a Threatened and Endangered (T&E) species at this time. Furthermore, BLM and USFS should give great deference to adequately crafted state and local sage grouse management plans when adopting any federal land use plan amendments, pursuant to the consistency and coordination requirements under federal law.

Background: Over the past decade, there has been an unprecedented grass-roots conservation effort in the eleven western states to protect the Greater Sage Grouse. Hundreds of stakeholders representing a large cross section of western interests - ranchers, environmental organizations, industry groups and government agencies - have joined together to form dozens of local working groups to collect and process scientific data about the Greater Sage Grouse, identifying key conservation priorities and forging partnerships with federal land management agencies for conservation purposes.

This effort has produced best management practices for protecting the Greater Sage Grouse in harmony with other multiple uses. These best management practices are being followed in BLM RMPs and USFS land use plans throughout the Eleven Western States. NACo supports this locally driven commitment to conserve the Greater Sage Grouse while preserving other important multiple uses. The USFWS should not list the Greater Sage Grouse as a T&E species at this time as such action is not necessary. NACo urges continued application of best management practices by state, federal and local land management agencies, which will continue to make Greater Sage Grouse populations stabilize and thrive throughout the west.

Fiscal/Urban/Rural Impact: There will be significant and unwarranted impacts to other public lands multiple uses, as well as private lands uses, if the Greater Sage Grouse is listed at this time.

Sponsors: Commissioner Mike McKee, Uintah County, UT; Commissioner Alan Gardner, Washington County, UT; Commissioner Todd Devlin, Prairie County, MT

Resolution Opposing the Listing of the Gunnison Sage Grouse as an Endangered Species, and Opposing the Designation of Critical Habitat without scientific basis, such as in Ouray and Hinsdale Counties, Colorado

Issue: The proposed listing of the Gunnison Sage Grouse as an endangered species and designation of critical habitat is premature, unwarranted, and without scientific basis.

Proposed Policy: NACo opposes the listing of the Gunnison Sage Grouse as an endangered species on the grounds that the proposed listing of the Gunnison Sage Grouse as an endangered species and designation of critical habitat is premature, unwarranted, and without scientific basis.

Background: While the declining population of the Gunnison Sage Grouse is a matter of concern and one that reflects upon the health of the local ecosystem, we feel that this listing is the wrong approach to preserve and recover the Gunnison Sage Grouse. Time and time again, we have seen species get listed as threatened or endangered under the Endangered Species Act (ESA), which leads to restrictions on land use while doing nothing to preserve the listed species. This "one size fits all approach" has proven to be a failure but the U.S. Fish and Wildlife Service (USFWS) seems intent to continue this trend.

There are better tools than a listing under the ESA to foster the well-being of the Gunnison Sage-grouse which will affect all those communities and approximately 1.7 million acres of land. For instance, there are better tools such as the Dune Lizard model, intergovernmental agreements between Colorado and Utah, and local, state and federal voluntary coordinated efforts. The ultimate decision of the USFWS will impact the lives of approximately 296,094 people in 11 counties in two states.

Over the past 19 years the communities with populations of Gunnison Sage Grouse have worked hard to improve the habitat and success rate of the bird. This has been a collaborative effort between private landowners, local government, land trusts, and the state of Colorado. The USFWS has been at the table advising the entities with regard to the tremendous efforts that have been made for the grouse and its survival. The Colorado Department of Parks and Wildlife has spent $30 million on easements alone. Landowners have placed 68,465 acres of land into conservation easements and an additional 22,574 acres are under Candidate Conservation Agreement with Assurances.

The proposed listing is disappointing and a blow to all the entities and individuals that have worked very hard to help this species. By listing the bird as "endangered" it takes the states of Colorado and Utah out of the process. It also sends a message that there is little reason to work together since no matter what efforts are made the USFWS will move forward with their own plan.

The USFW proposal for "Critical Habitat" is for a total of 1,704,227 acres, 48.4 percent is federal land but 49.3 percent is privately owned land. Current estimates of occupied habitat are 503,245 acres federal land and 397,499 acres private land.

The proposed designation of critical habitat is lacking in scientific support, is confusion and overly vague. Thus, it violates the requirements and protections of the Administrative Procedures Act, 5 U.S.C. Parts 5, 6 and 7 as well as the requirements of the ESA.

The published maps are without sufficient detail to be able to determine exact boundaries or inclusion areas, and several of the affected counties have been unable to confirm that the included lands meet the criteria for critical habitat.

Substantial disagreement with the draft rules have been expressed by numerous commenting agencies who maintain that the proposed rules fail to recognize that:

a) the Gunnison Basin population of Gunnison Sage Grouse is stable, growing, healthy and likely to persist in the long term;
b) USFWS has failed to establish that the Gunnison Basin population is facing material or imminent threats;
c) USFWS has failed to analyze accurately the scope of the affected counties' legal authority to address threats to the Gunnison Sage Grouse and its habitat;
d) USFWS has failed to analyze accurately the scope of the affected counties' regulations, planning regimes and intergovernmental actions to address threats to the Gunnison Sage Grouse and its habitat;
e) USFWS has failed to accurately analyze the affected counties' legal authorities, regulations, policies and actions in regulating parcels of 35 acres and larger in size;
f) USFWS has not recognized that there have been significant and successful conservation efforts made by several of the affected counties, especially Gunnison County;
g) USFWS has failed to accurately analyze the actual pace of residential development in the Gunnison Basin Population area especially;
h) USFWS has significantly overstated the magnitude, immediacy and causes of other alleged threats to the Gunnison Basin Population especially;
i) USFWS has failed to capitalize on the extraordinary efforts of the affected communities, especially the Gunnison Basin community;
j) USFWS has made no real analysis of the whether the Gunnison Sage Grouse is endangered or threatened in the Gunnison Basin, as a "Significant Portion of the Range";
k) the USFWS analysis of the satellite populations is not complete or accurate;
l) the draft rules significantly mis-cite or misinterpret studies;
m) there has been insufficient peer review;
n) USFWS did not consider all relevant scientific and commercial information available;
o) the proposed rules are inconsistent with previous USFWS formal and informal actions regarding the Gunnison Sage Grouse;
p) the USFWS cost analysis is not yet complete;
q) the USFWS is not providing to the Gunnison Basin and affected counties' communities the time afforded by the Endangered Species Act to respond to the proposed rules;
r) USFWS appears to be ignoring Gunnison County's recommendation of efforts that will effectively foster the Gunnison Sage-grouse; and
s) USFWS appears to be in conflict with its own findings which recognized that the Gunnison Basin Population of Gunnison Sage-grouse is stable and growing, healthy and likely to persist in the long term: the Gunnison Basin is 88.3 percent of the population of the species; actual increase in the Gunnison Basin population of the bird is over 33 percent since 2002; actual increase of the total population of the species is approximately 33 percent; with this number of Gunnison Sage-grouse the risk of extinction in 50 years is less than .5 percent; “The population target for the Gunnison Basin identified in the 2005 Gunnison Sage Grouse Rangewide Conservation Plan is set at a long term (10 year) average of 3,000 birds. The current 10-year average (2003-2012) population estimate is 4,147 birds, well above the 3,000 target.”

The Federal Register notice alludes to changes in grazing practices which will affect ranchers and federal grazing permits. Documented research shows that the Gunnison Sage Grouse chicks for the first three weeks of life are dependent on insects that are produced in cattle manure. When the Gunnison Sage Grouse population was the highest, there were more livestock being grazed than are currently being grazed today. The listing is far reaching and a listing under the ESA will have an economic impact to Colorado's farmers and ranchers.

The symbiotic relationship between cattle and the Greater Sage Grouse has been clearly demonstrated by well-controlled studies. As recognized by the Bureau of Land Management in Instruction Memorandum (IM) No. 2012-043, grazing can be "used as a tool to protect intact sagebrush habitat and increase habitat extent and continuity which is beneficial to [the] Greater Sage Grouse and its habitat." The IM continues, "Given the potential financial constraints in addressing the primary threats identified by the USFWS, enhanced management of livestock grazing may be the most cost effective opportunity in many instances to improve Greater Sage Grouse habitat on public lands." The recognition by USFWS that grazing provides a positive affect for the Greater Sage Grouse habitat can be extended to the Gunnison Sage Grouse. According to Natural Resource Conservation Service (NRCS), grazing "has been responsible for retaining expansive tracts of sagebrush-dominated rangeland from conversion to cropland" and can "stimulate growth of grasses and forbs, and thus livestock can be used to manipulate the plant community toward a desired condition." Additionally, NRCS studies in Gunnison Sage Grouse habitat have indicated both an increase in bird population as well as new growth of native grasses.

Livestock grazing contributes positively to the above primary principles, being both compatible with and beneficial to Gunnison Sage Grouse habitat conservation. Ranchers are the stewards of the Gunnison Sage Grouse habitat on both the private and public land they use. Without ranchers, who provide an effective line of defense against fire and noxious weeds, manage forage for optimum production and are the primary protectors of open space including protection from urbanization and development in the private lands of the west, large areas of Gunnison Sage Grouse habitat would be in jeopardy.

Substantial disagreement with the draft rules have been expressed by numerous commenting agencies who maintain that the proposed rules fail to recognize that the Gunnison Basin population of Gunnison Sage-grouse is stable, growing, healthy and likely to persist in the long term; USFWS has failed to establish that the Gunnison Basin population is facing material or imminent threats; USFWS has failed to analyze accurately the scope of the affected counties' legal authority to address threats to the Gunnison Sage-grouse and its habitat; USFWS has failed to analyze accurately the scope of the affected counties' regulations, planning regimes and intergovernmental actions to address threats to the Gunnison Sage-grouse and its habitat.

An "endangered" listing for the Gunnison Sage Grouse will be counter-productive to the efforts that have already occurred and ultimately to the species. The Gunnison Sage Grouse not be listed as endangered so that current preservation efforts can continue.

Fiscal/Urban/Rural Impact: In brief, listing the Gunnison Sage Grouse and designating critical habitat as proposed would be absolutely, completely, and irreversibly totally devastating to agriculture, recreation/tourism, natural/mineral resources, and all sectors of the local economies in the affected counties.

Sponsor: Commissioner Lynn Padgett, Ouray County, CO

Proposed Resolution on U.S. Fish and Wildlife Management of the Utah Prairie Dog

Issue: Utah Prairie Dog Counts

Proposed Policy: NACO urges the U.S. Fish and Wildlife Service (USFWS) to modify policies to permit the counting of Utah Prairie Dogs on private land for the purpose species recovery efforts.

Background: The Utah Prairie Dog is a protected species under federal law. Thousands of Utah Prairie Dogs have invaded cultivated fields, golf courses, cemeteries, airports and other private lands. Current federal policy prohibits the counting of prairie dogs for species recovery activities if the animals are on private ground.   Federal officials incorrectly argue that the prairie dogs are unprotected if located on private ground. Facts refute that untenable position. For example: 1) More prairie dogs use private land as habitat in spite of federal lands being 2 to 30 times more plentiful. 2) The same protections that exist on federal land exist on private land. 3) Harassment of Utah Prairie Dogs on federal land is harder to detect because the areas are more remote. 4) The desire for palatable food source and improved habitat attract prairie dogs in spite of increased predators, manmade development and other natural impediments.

Fiscal/Urban/Rural Impact: There will be no fiscal impact for rural and urban areas outside the Utah Prairie Dog range. For the limited counties with in the species' range, residents and governments can expect delisting of the species, reduced negative economic impacts and a gradual shift to federal lands. Changing national policy to allow counting Utah Prairie Dogs on private lands will also provide a more accurate picture of the recovery efforts. Citizens will reap the benefits of improved property values and greater options for dealing with prairie dog impacts.

Sponsor: Commissioner Leland Pollock, Garfield County, UT

Proposed Resolution on Local Law Enforcement on Public Lands

Issue: Local law enforcement on public lands

Proposed Policy: NACo urges all federal land management agencies to recognize and respect sheriffs (or the chief local law enforcement officer) in public land counties as the primary and chief law enforcement officer of the entire county. Federal agencies should execute cooperative agreements with counties to ensure fair and prompt federal payment of compensation for additional local law enforcement activities desired of sheriffs, and federal agencies submit their agents for deputization and accountability under local sheriff authority and control.

Background: Federal land counties are frequently impacted by lack of coordination from federal law enforcement officers. Federal officials fail to recognize the County Sheriff's role as the chief law enforcement officer within his/her jurisdiction; and, often, federal officers undermine local law enforcement efforts by usurping local authority in violation of established law. Counties are also forced to expend limited local funds to perform uncompensated law enforcement functions on federal land.

This resolution is needed to encourage federal agencies to: a) recognize the sheriff's role as the chief law enforcement officer; b) work cooperatively with local government to coordinate law enforcement functions on federal land in accordance with established law; and c) develop cooperative agreements to compensate local government for services provided on federal land and to establish clear lines of authority.

Fiscal/Urban/Rural Impact: There will be limited fiscal impact for urban areas. Rural areas, especially public land counties, can expect greater coordination with federal law enforcement officials, reduced duplication of effort, and increased funding resulting from cooperative agreements and clearly defined roles. Citizens will reap the benefits of more efficient responses to problems, reduced cost by eliminating duplication, a streamlined approach to law enforcement issues, and greater efficiency of all levels of government.

Sponsor: Commissioner Leland Pollock, Garfield County, UT

Proposed Resolution Supporting Changing Forest Service Employee Supervision

Issue: Chain of command for U.S. Forest Service (USFS) law enforcement personnel

Proposed Policy: NACo supports a change in USFS personnel organization to place law enforcement officers under the direction of Forest Supervisors.

Background: Several decades ago, there was reported abuse of USFS procedures, allegedly involving Service line officers. As a response, and at the urging of, among other, the Forest Service Employees for Environmental Ethics, the law enforcement branch of the Service was "stovepiped," meaning that these officers no longer were supervised by local or regional authority, but answered instead directly to the Washington office. As a result, there can be little to no interaction among enforcement officers and the local supervisors and line officers.

As timber harvest has dramatically declined, there is no longer a reason to isolate these enforcement officers from the chain of command. In fact, the loss of interaction has resulted in adverse public relations between the USFS and forest communities. When new personnel are transferred into areas without an understanding of the area's culture and the agency's interdependence upon the community, all too often the result is public conflict. If there is direct supervision and accountability to local USFS officials, there is much greater opportunity for such conflicts to be resolved before it becomes a community issue. A positive influence on public relations for the agency would be of great benefit for all parties involved.

Fiscal/Urban Rural Impact: No fiscal impact, with a positive impact on rural communities' relationship with the USFS.

Sponsor: Commissioner Alan D. Gardner, Washington County, UT

Proposed Resolution Calling for Membership on Landscape Conservation Cooperatives Steering Committees to Include County Elected Officials

Issue: County membership on Landscape Conservation Cooperatives (LCC)

Proposed Policy: NACo supports the expansion of LCC Steering Committees to include at least one elected county official or approved regional official representing local governmental interests on each Steering Committee, and preferably one from each state in those eco-regions which are multi-state.

Background: LCCs are being organized nationally by the Department of the Interior to coordinate natural resources and climate science and research, and to apply science to land and wildlife management, with particular emphasis on public lands. Steering Committees, and invitations to Steering Committees, have included the spectrum of state and agencies, Indian Tribes, and non-governmental organizations (NGOs). To date local governments have not been invited to attend or participate in organization or implementation of the program in the eco-regions.

LCCs began being organized in 2009 under the leadership of the US Fish and Wildlife Service (USFWS). Subsequent leadership has been expanded to the Bureau of Reclamation in some regions. Nationally there are 21 eco-regions, 11 of which are important to public land areas in the west and Alaska. The stated intent is that these organizations are to coordinate climate change and other science among federal and state agencies and the universities, and to seek the application of science and research to natural resources decision-making. Some organization of the Steering Committees has been contracted to NGOs. The organization of several of the major LCCs to date has included long lists of invited agencies which have included all federal and state agencies involved in land, water and wildlife management, and assorted conservation-oriented NGOs, but has excluded local government. It is critical as science and natural resources research needs and results are prioritized and assessed, and as such research is considered to be applied to public lands and resources, that the views of local government be included and considered. Such input must be as a full partner as a governmental unit, and not as a mere "interest group," or "stakeholder."

Local government views must be considered by the larger group of assembled state and federal agencies related to science and research priorities and application. The concern of local governments is that research could be applied to public lands that will be adverse to local social or economic interests, which could result in local costs, particularly to rural interests and businesses which have an interface or involvement with public land usage. Federal officials have tried to assure public interests that LCCs will not be decision-making in scope. Such assurances, however, do not assure that agencies will not apply research results to public land management decisions. Local governments must be part of any forum that assesses the future of public land management practices.

Fiscal/Urban/Rural Impacts: The direct cost of local government participation is limited to the cost of attending perhaps three to four meetings per year for selected representatives. Exclusion will result in counties still having to attend and participate in meetings to the extent they are held in public, simply to assure that local views are recorded.

Sponsor: PLSC Platform Working Group

Proposed Resolution on Acquisition of Private Land for Wildlife Mitigation Associated with Renewable Energy Development with Subsequent Transfer to Federal Agencies

Issue: Acquisition of private land for wildlife mitigation associated with renewable energy development

Proposed Policy: NACo requests the land and wildlife management agencies adopt procedures that provide for project mitigation other than through land transfer from private to public ownership. When such transfers are deemed the only appropriate mitigation, and offsetting the Payment in Lieu of Taxes program (PILT) will not occur, then agencies must provide that project developer would continue to pay the property tax on the transferred land, or fees in lieu of taxes, in perpetuity, unless the land is restored to private ownership at a future date.

Background: Wildlife agencies (state and federal) have required the purchase of private land and its transfer to government agencies or non-governmental organizations (NGOs) as mitigation for projects that will occupy habitat or impact species with status under federal or state law or regulation. Such acquisitions remove private land from tax rolls. When the land becomes federal or state, many counties not only lose the property tax revenue, they fall outside the limits of PILT accounting. Large renewable energy development projects have exacerbated the situation.

The land and wildlife management agencies have sought land mitigation for impacted habitat for a variety of species, mostly those with listed status under the Endangered Species Act. Such mitigation often is required at a multiplied factor, e.g. 3:1, in which the project developer must "donate" a multiple of private land to the permitting agency or designated entity as mitigation. Such land is removed from the tax rolls. Further, land is place in "conservation" status under which it has limited use and no revenue generation.

Many projects are located in counties in which PILT payments are capped because of already large estates, thus transfers may add to the federal estate and counties do not receive additional PILT payment reflecting the expansion. Further, since the acquiring agencies are usually the Bureau of Land Management or the U.S. Forest Service, counties cannot receive PILT under Sections 6904 or 6905.

Most projects utilize significant parts of local government infrastructure, including county roads for project development, operation and maintenance. In addition development may use other county services, including solid waste disposal, law enforcement, public health, and fire and emergency medical response during the life of the project.

Offsetting the loss of the tax base must be an essential part of renewable project mitigation, even when mitigation land is transferred to a state agency or NGO. Project developers should deposit funds to provide other kinds of mitigation investment equivalent to the amount that might otherwise be invested in land acquisition.

Policy options could include expanding the current PILT requirement that only additions to the federal estate by the National Park Service or in National Forest wilderness can receive payment under Section 6904 by adding all federal agencies to law and removing the five-year limit on such payments.

Fiscal/Urban/Rural Impact: While development may provide some positives to local economies, local governments should not be left with losses and costs associated with the project. The policy will assure a steady revenue stream regardless of mitigation requirements as well as funding for the county infrastructure and services.

Sponsor: Commissioner Alan D. Gardner, Washington County, UT

Proposed Resolution on Mitigation for Historic and Recognized Federal Land Multiple Uses When Renewable Energy Projects are Developed on Federal Land

Issue: Allowing multiple use activities on federal lands

Proposed Policy: NACo requests that the Bureau of Land Management (BLM) and the U.S. Forest Service (USFS) adopt policies that provide real and substantial consideration of historic uses in the project plans and environmental documentation, and require project developers to provide mitigation for their loss.

Background: As renewable energy development expands, the potential exclusion of historic permitted uses on federal public lands becomes more apparent. Some projects may be benign, such as wind energy on ridge lines. Other developments such as solar on flat accessible land, remove huge areas which have historically been essential parts of grazing allotments, contained the access routes to back country, or provided areas that BLM designated as “open” for off-highway vehicle (OHV) recreation. Ancillary facilities and safety closures, for all projects, may remove significant areas and access from previous uses. Renewable energy projects, particularly large scale solar development, remove large blocks of land from the federal estate from historic multiple use activities, including dispersed recreation, livestock grazing, and general public access. Mitigation is too often focused only on wildlife and cultural resources. Other multiple uses receive only passing mention in the environmental documentation, and are seldom offset, replaced or otherwise mitigated.

Some uses, such as grazing, can be mitigated through compensation or buy-out, though the effect will be a reduction from past use. There may be offsetting economic value from the energy project, but it is essential that benefits and losses both be weighted in the National Environmental Policy Act (NEPA) process and the process commit the developer to providing appropriate mitigation for lost use and public access.

Access through project areas cannot be addressed by the market. Development plans must provide alternate access routes. OHV open areas, if such has been legitimately provided in BLM or USFS land use plans, should be similarly mitigated for, by designation of other appropriate areas, or the acquisition of areas by the developer for such dedication and designation.

Failure to provide at least a degree of mitigation can result in sprawling of dispersed uses to areas of private land, encourage trespass, and require engagement of law enforcement at high cost to both the land management agencies and local governments.

NACo does not oppose development of renewable energy on public land, but wishes to assure that the NEPA process and plans of development explicitly address historic use and require the developer to provide mitigation for important and continuing public use of public land.

Fiscal/Urban/Rural Impact: Renewable energy development may or may not have positive impacts on the land and the area. Projects normally result in total exclusion of the public, but their output will provide energy, employment, and increase renewable portfolios required by many states. Mitigation for impacts and use loss may add to project costs. Providing such mitigation may have an overall positive impact since the area may benefit from the new use plus retain of all or part of the current use. Providing such mitigation will also reduce the effect on local law enforcement to control trespass use that could occur if mitigation is not provided.

Sponsor: Commissioner Alan D. Gardner, Washington County, UT

Resolution Supporting Third Party Recreational Concessionaires in Counties Parks on Bureau of Land Management Land

Issue: The Bureau of Land Management (BLM) believes it does not have statutory authority to allow third party concessionaires to provide recreational opportunities such as camp grounds, horseback riding, and golf courses on BLM land leased or patented to counties.

Proposed Policy: NACo urges the strengthening of recreational opportunities and the resulting economic benefits through public-private partnerships on all public lands.

Background: According to the *Economic Benefits to Local Communities from National Park Visitation*, a Natural Resource Report produced by the National Park Service, the National Park System received 278.9 million recreation visits in 2011 and park visitors spent $12.95 billion in local gateway regions (within roughly 60 miles of the park). The report concluded that the contribution of park visitor spending to the national economy amounted to 251,600 jobs, $9.34 billion in labor income, and $16.50 billion in value added. The Outdoor Recreation Industry Association concludes the economic impact of outdoor recreation related expenditure in the United States was $646 billion in 2011 and state and local taxes collected for recreation was $39.7 billion. Additionally, outdoor recreation activities are still among the most affordable opportunities for all Americans, providing opportunity for exercise and enjoyment.

The Bureau of Land Management is a federal agency that manages approximately 245 million acres of public land primarily in the West. In addition, BLM is responsible for managing public lands scattered throughout the 31 states bordering on, and east of, the Mississippi River. The agency's mission is to sustain the health, diversity, and productivity of these public lands for the use and enjoyment of present and future generations.

The U.S. Forest Service (USFS) is the land and resource management agency of the U.S. Department of Agriculture (USDA) responsible for managing and protecting approximately 193 million acres of public lands. The USFS has a long history of working with partners to accomplish important resource work on the forest. Partners over the years have included sister federal agencies, the states, sportsman groups, conservation organizations, universities, and private individuals. The mission of the USDA Forest Service is to sustain the health, diversity, and productivity of the Nation's forests and grasslands to meet the needs of present and future generations.

Noting the strikingly similar missions of BLM and the Forest Service, NACo urges Congress to allow both agencies to support public-private partnerships on leased or patented that further the agencies' missions.

Fiscal/Urban/Rural Impact: The expansion of public-private partnerships in county parks would allow counties to increase economic development and shift funds to other park, conservation and quality of life programs that cannot produce revenue.

Sponsor: Supervisor Mary Rose Wilcox, Maricopa County, AZ

Proposed Resolution Supporting the Government Litigation Savings Act

Issue: Accountability and transparency regarding payments made under the Equal Access to Justice Act (EAJA)

Proposed Policy: NACo supports the Government Litigation Savings Act (S.1061/ H.R.1996) as the passage of these bills would:

- Continue to provide a mechanism to assure fair and equal access to public funds for individuals, small businesses and non-profit organizations with limited financial resources to assure their ability to participate in the justice system of these United States;
- Help restore accountability and transparency on how federal funds are being spent by reestablishing a provision for reporting to Congress on expenditures under the EAJA;
- Restrict the amount of EAJA dollars that can be applied for to reimburse successful individual and small entities for legal expenses in actions brought against the federal government;
- Restrict the eligibility to apply for reimbursement of legal expenses for those individuals and entities without the assets necessary to bring legal action against the federal government; and
- Urge Congress to adopt an asset limit for applicants consistent with the congressional intent of the EAJA.

Background: Originally enacted in 1980, EAJA was meant to provide fair access to legal remedies for individuals, small businesses and non-profits with limited means. The act accomplishes this by reimbursing attorney's fees for plaintiffs who sue the federal government if they win the case or settle out of court. The original legislation required annual reports to Congress on the amount and nature of EAJA payments. The reporting requirement ended in 1995.

In recent years there have been complaints about the misapplication of the EAJA by certain well-funded interest groups that allegedly have received millions of federal taxpayer dollars in attorneys' fees for settling or winning cases filed against federal agencies. In some cases, these lawsuits were based on procedural errors, or filed simply to delay or prevent authorized uses of public lands or federally authorized activities on private lands. Federal agencies may have settled these cases rather than expend public resources to litigate. Often times these receipts are used to initiate subsequent legal actions by these same groups.

Reporting requirements provide accountability and transparency in how federal funds are being spent. The Government Litigation Savings Act would help assure that federal funds are being used in a manner that is consistent with the original of the EAJA by requiring the federal government to create a publicly searchable database to include information regarding the disbursement of public funds under the EAJA. In addition, the Government Litigation Savings Act would require that the Comptroller General commence an audit of past expenditures under the EAJA and report the results of the audit to Congress.

Fiscal/Urban/Rural Impacts: Enactment of S.1061 and H.R.1996 would have a positive fiscal effect on urban and rural budgets by providing for proper justification of federal payments of taxpayer dollars when public land policy is involved.

Sponsors: Commissioner Alan Gardner, Washington County, UT; Commissioner John Jones, Garfield County, UT

Proposed Resolution Opposing the U.S. Department of Interior's Secretarial Order 3321, National Blueways System

Issue: The Department of Interior's Use of Secretarial Order 3321, National Blueways System

Proposed Policy: NACo opposes the Department of Interior's use of Secretarial Order 3321, National Blueways System, as the program lacks transparency, fails to require formal public involvement, allows designation over local objections, and will lead to more federal involvement in the regulation of non-navigable waters, which could usurp state authority and impact private property rights.

Background: On May 24, 2012 then-Department of the Interior Secretary Ken Salazar signed Secretarial Order 3321 establishing the "National Blueways Systems." The Order is intended to "provide a new national emphasis on the unique value and significance of a 'headwater to mouth' approach to river management and to create a mechanism to encourage stakeholders to integrate their land and water stewardship efforts by adopting a watershed approach."

The Order states that "bureaus within the Department of Interior, to the extent permitted by law and consistent with their mission, policies, and resources, shall endeavor to align the execution of agency plans and implementation of agency programs to **<u>protect, restore, and enhance</u>** the natural, cultural, and/or recreational resources associated with designated National Blueways" (emphasis added).

Under the Secretarial Order, any "established stakeholder partnership" can nominate a watershed and the land and water therein for designation. Once a watershed is nominated, a committee composed of federal agency officials will consider the designation and the Secretary of the Interior will make the final decision whether to designate a watershed as a National Blueway. There is no required state or local participation of any kind in the nomination and decision making process. Furthermore, any "established stakeholder partnership" may nominate a watershed and there is no requirement that the stakeholder partnership have any direct interest in the watershed itself.

Thus far the Connecticut River watershed in New England and the White River watershed in Arkansas and Missouri have received designations. A nomination of the Yellowstone River watershed in Wyoming and Montana and the Minnesota River watershed in South Dakota and Minnesota are currently under consideration.

A number of groups have raised objections to this program, most notably the Western Caucus and the Wyoming Congressional Delegation, the Republican Members of the House Resource Water and Power Subcommittee. Concerns with the program include:

- **Usurpation of State Authority to Manage its Water.** While water law varies by region, water is managed by the states, not the federal government. Any designation by the federal government that directly or indirectly attempt to manage non-navigable waters is a usurpation of state authority and may impact private property rights.
- **Lack of Public Participation**. The Secretarial order does not require that residents of the impacted areas be given the opportunity to participate in the nomination process. In fact, a watershed could be designated without any public notice being given.
- **Nominating Stakeholder**. The Order allows any "established stakeholder partnership" to nominate a watershed for designation, but there is no requirement that the stakeholder group have any direct interest in the watershed itself.
- **Lack of State or Local Government Involvement in the Nomination and Designation Process**. The Order fails to provide for state or local government involvement in either the nomination or the designation process. The draft nomination form (discussed below) requires that a state agency sponsor a nomination, but state agency is not defined and only one state agency sponsor is required for the nomination of a watershed spanning multiple states. Watersheds could still be designated without any public notice, without any public comment, and over local objection.

In compliance with the Paperwork Reduction Act of 1995, the Department of Interior has recently posted a public comment period on the National Blueways System Application form, the form that the federal committee will use to evaluate Blueways designations. This is not a public comment period on the program itself, or on any individual waterway.

Fiscal/Urban/Rural Impact: This program has the potential to impact private property development depending upon the federally-approved management objectives accompanying a designation of a river as a "National Blueway" or through an agency regulation or action applied in the future under the auspices of furthering those management objectives.

Sponsor: Wyoming County Commissioners Association

TELECOMMUNICATIONS AND TECHNOLOGY

PROPOSED RESOLUTIONS

Proposed Resolution Supporting Deployment of Next Gen 911

Issue: Allowing 911 call centers to receive Global Positioning System (GPS) coordinates along with text messages.

Proposed Policy: NACo opposes efforts to impose unfunded mandates on local governments, but supports the voluntary use of text messaging to 911 and encourages the sending of GPS coordinates with text and SMS messaging when using 911.

Background: The use of technology increases dramatically each year and the communication systems we are accustomed to have not advanced much in the last decade. With text messaging becoming a key form of communication it is imperative that we allow this option within our 911 system.

Text messaging can be used in a variety of situations from domestic abuse, where a victim is hiding and cannot make a phone call which would give their location away. In situations where there is a kidnapping and a victim does not know where they are, this technology can help locate them. It could also be a benefit to Search and Rescue operations in remote wilderness areas where you cannot get a phone call out, but are able to send and receive a text. Text messaging doesn't require the same bandwidth as a voice call allowing an alternative connection to emergency assistance.

While NACo encourages the use of text messages to 911, it does not feel it is necessary to make this a federal mandate and the option of adding this should be up to the local jurisdiction. Some counties and municipalities cannot afford this option and it may not be beneficial to them. The choice should be up to the decision makers who are closer to the people.

NACo also encourages the addition of sending GPS coordinates along with any text message to 911 to allow quicker emergency response and in some search and rescue operations this could be the difference in life and death. Hikers or skiers lost in the mountains can be rescued quicker and ultimately saving life and limbs in the process.

Fiscal/Rural/Urban Impact: Fiscal impact would be great if mandated. NACo does not support this as a federal mandate.

Sponsor: Commissioner Lee Bonner, Douglas County, NV

Proposed Resolution Supporting Local Authority in Installing Antennas on Public Property

Issue: Limits on local government authorities regarding antennas on public property

Proposed Policy: NACo opposes efforts to impose limits on local authorities to determine the installation of antennas on public property.

Background: Historically, when cellular or continuous management and risk scoring (CMRS) companies have sought to install antennas on public properties (such as municipal or county office buildings, schools, police or fire stations, government-owned open land, etc.), governments owning these buildings have enjoyed broad authority, similar to that of private landlords, to decide whether they want to allow such antennas, and if so, on what rental and other terms and conditions.

Presumably, state, county and local governments should have at least as much authority when antenna builders propose to install such antennas on government-owned structures that sit in public streets (such as street lights and traffic signal poles). However, some private companies have sought to have the FCC and/or the courts impose new limits on such local authority with respect to such installations. There are often very good policy reasons for state, county, local, and tribal governments to encourage placement of wireless antennas on publicly-owned property. But the policy tradeoffs to be made with respect to public properties must remain within the control of the state, county, local, and tribal governments who own or manage such properties.

Fiscal/Rural/Urban Impact: Impact unknown; however, siting issues have significant impact on public and private property values.

Sponsor: Council Member Joyce Dickerson, Richland County, SC

TRANSPORTATION

PROPOSED PLATFORM CHANGES

Statement of Basic Philosophy

Our nation's transportation network is a basic force molding urban and rural development. It is a vital component in sustaining and building local and regional communities and economies. In that development, federal, state, and local governments each share a responsibility in providing a balanced and coordinated transportation system. A balanced and coordinated system encompasses all modes of transit, including auto, rail, intermodal, air, and marine. It recognizes the interrelationship of services; for example containerized shipping that uses ports, rail, and trucks, or commuter trips that use auto, rail and mass transit. It recognizes the interrelationship of providers; county and municipal road and transit systems interface with state and federally-supported systems. And it recognizes that there are important and emerging strategies that rely on public/private partnerships.

County elected officials represent all the county's citizens in working toward a balanced transportation system, which includes highways, public transit, airports, waterways, and railroads. To achieve the goal of a coordinated transportation system, county officials should:

- Take the lead in coordinating transportation planning for all units of local government below the state level;
- Be recognized as the single point of contact in the local area in statutes and regulations of state and federal transportation agencies;
- Provide leadership in developing regional councils of government or other regional institutions, with the elected county and municipal officials determining when multicounty planning and coordination are necessary. County representation and responsibilities of regional policy bodies must be weighed to reflect the county's area-wide responsibility; and
- Make joint powers agreements, contractual agreements, or other cooperative arrangements with municipalities (and with other counties when suitable) to provide transportation facilities and services in the most efficient and economical manner.

Responsible local officials should be defined in federal and state law as those local officials who are elected and directly accountable to the public whom they serve and who have jurisdiction over matters relating to highways, transit, airports, railroads, and waterways. Such officials have the capability to raise the required matching money for federal funds. These officials may delegate their authority to act to subordinates or to regional or state associations. Congress and the Administration should review federal bureaucratic red tape and take decisive action to minimize the detailed federal surveillance of transportation improvement projects.

Comprehensive Planning Support

To achieve an integrated and coordinated transportation system that meets basic community and statewide goals, ~~local areas must develop~~ all levels of government need to understand the interrelatedness of transportation infrastructure and services and respond with a comprehensive community planning process that is continuous, cooperative, and comprehensive. Often, in our aging regions and communities, these processes will need to begin with a proactive and comprehensive plan for redevelopment and improved maintenance of this core infrastructure.

The elected county official must actively participate in the process, so the plan has official sanction and can promptly be translated into realistic programs. Where such power is lacking, states should provide counties with powers to plan, as well as control, development through such devices as planning and zoning power.

The amount of funds devoted to comprehensive planning should be reasonably related to identifiable beneficial results through a benefit-cost analysis.

The transportation plan is an essential part of the comprehensive plan. It should include continuous evaluation and reevaluation of all transportation facilities and services on county or area highways, public transit, traffic control, parking, airports, and terminal facilities for waterways. The transportation plan should be fitted into comprehensive county or area-wide development that includes other functional plans, such as land use, water supply, sewers, schools, fire control, and so forth.

The state should work closely with county and municipal officials and citizens in planning primary transportation projects under state control as part of the transportation planning process.

All levels of government should cooperate in setting minimum standards for highway improvements.

The local transportation planning organization, referred to as the Metropolitan Planning Organization (MPO), and other local transportation planning organizations should be made up of a majority of local officials. These local officials should be able to redesignate their local transportation planning organization, in consultation with the state, if such organization is not made up of a majority of local officials. In the arrangement or process of any MPO redesignation, the federal government should be strictly limited to a neutral third-party role.

National Highway Program

Since the transportation system provides mobility between destinations which may be national, interstate, intrastate, or local, there should be a working partnership among all levels of government in developing a system of highways which will be national in scope. Each level of government has a clear and distinct role to perform.

H. Other Special Local Needs: Congress should fund some programs for projects off the federal aid or state aid system, such as:

- <u>Programs that target rehabilitation of critical elements of the transportation system in our aging regions and communities.</u>
- Continue to provide increased funding for the replacement or rehabilitation of critically deficient bridges which may not be on the federal aid system. Particular emphasis shall be given to requiring the states, in cooperation with responsible local officials, to select critically deficient off-system bridges under county control, in connection with the state’s overall selection of bridge replacement projects; and
- Authorize a major program to eliminate or grade-separate the most serious hazards among the 165,000 rail-highway grade crossings not on the federal aid or state aid systems.

Sponsors: Council Member Helen Holton, Baltimore City, MD; Commissioner Christian Leinbach, Berks County, PA; Commissioner Toni Pappas, Hillsborough County, NH; Doug Hill, Executive Director, County Commissioners Assoc. of PA; Lisa Schaefer, Government Relations Manager, County Commissioners Assoc. of PA

PROPOSED RESOLUTIONS

Proposed Resolution on the Future of the Federal Surface Transportation Program

Issue: MAP-21, the federal surface transportation program and the user fees that support it, expire on September 30, 2014, and must be reauthorized.

Proposed Policy:

Financing

- For the next reauthorization, the gas tax should remain a major source of funding.
- There needs to be an immediate increase in the federal gas tax and indexing to address the outstanding needs of the surface transportation systems.
- The interest generated by the trust funds needs to be credited back to the trust fund.
- The federal-local match should remain the same.
- User pay should continue to be the cornerstone of transportation financing.
- There should be no devolution/turn back of current federal gas tax authority to the states.
- The revenue base for federal transportation programs should be broadened to reduce the reliance on the traditional fuel tax and on fossil fuels. The current gasoline tax is not sustainable in the future due in part to increasing fuel efficiency, alternative fuels, and potential lower consumption of fuel due to increasing prices.
- The reauthorization needs to examine alternative sources of funding and should include pilot projects and research to address the future financing needs of the transportation system.
- All fuels should be taxed the same-if a fuel source powers vehicles, it should be taxed equally and deposited into the Highway Trust Fund.
- Additional revenue sources should be available in congested areas, such as congestion pricing.
- The movement of freight should be subject to federal taxes/impact fees that reflect the damage their weight imposes on the infrastructure.
- A national sales tax for transportation should be explored.
- Tolling of interstate capacity should be permitted, including new capacity or converted capacity on existing interstates, such as HOV lanes. Proceeds from tolling may be used for capital or operating costs. County governments should be reimbursed for any diversion of traffic due to tolling.
- Debt financing through a bonding/federal infrastructure financing authority proposal should be included that would complement the existing highway and transit programs and provide an additional source of funding for large projects, particularly those that reduced bottlenecks in the system, expedite the movement of freight and address congestion.
- <u>The Transportation Infrastructure Finance and Innovation Act (TIFIA) should be retained and, if appropriate, be expanded.</u>

Funding

- Federal funding for highways, bridges and transit needs is currently inadequate and needs to be increased substantially to reflect the future needs of the surface transportation system.
- More funding needs to be directed to county-owned roads, either through a federal sharing formula or as a direct pass through.
- To eliminate delays in project implementation, a funding mechanism needs to be created that would allow projects below a certain funding level to bypass the states and come directly to county government.

Metro Congestion

- A new federal program should be created to reduce urban and suburban congestion in metropolitan regions.
- ~~Each existing federal highway program should have a component that reduces congestion.~~
- A broad-based congestion plan needs to be developed in each metropolitan area.
- Incident management must be considered a priority. An incentive grant program should be created that funds counties/metropolitan regions that implement a comprehensive incident management plan.
- Innovative approaches, such as short sea shipping, should be developed.
- Each metro area needs to develop a plan to manage trucks, including a priority to segregate freight.
- Intermodal facilities should be developed to facilitate movement of freight by rail to the extent possible.
- The Surface Transportation Board, in making decisions regarding railroad ownership and expansion, must consider impact of grade crossings.
- Congestion pricing should be promoted as a cost-effective way to reduce congestion, more efficiently use existing and new capacity and raise additional revenue.
- A focus on decreasing congestion to reduce emissions should be emphasized.

Transit

- The mass transit program must retain its separate identity.
- The transit program should include the goals of improving metropolitan and rural mobility, reducing congestion, conserving energy resources, reducing greenhouse gases and serving the needs of underserved populations.
- Funding for mass transit should be increased either through its existing share of the Highway Trust Fund or through the general fund.
- More flexibility should be given to the recipients of transit funding as to how the funds should be allocated, including whether funds are spent for operating or capital expenses.
- The Federal Transit Administration should distribute funds within six months of approval.
- Transit benefit subsidy should be equal to the subsidized parking benefit.
- Before a transit system receives funds, at least a five-year strategic plan for that system must be in place.
- The project approval/development process must be simplified.
- Indemnification of shared railroad rights of way-create a national indemnity liability fund for public transit agencies/authorities that wish to operate commuter rail service in freight rail corridors.
- Streamline standards and processes for approving transit projects with the goal of increasing the speed at which projects can be built and decreasing the cost of projects.
- ~~The Access to Jobs program should be continued as a means of supporting county programs that encourage economically deprived individuals to return to work and be funded from the General Fund.~~
- Connectivity should be included as a criterion in approving expenditure of federal funds on transit projects.
- ~~The Transit in the Parks Program to permit operations and maintenance as eligible activities~~.

Bridge Program

- The federal Highway Bridge Replacement and Rehabilitation Program (HBRRP) must be reinstated to address the backlog of deficient bridges. It should continue to be a separate category with greater funding.

- The set-aside for off-system bridges in the Surface Transportation Program needs to be continued with an increased funding level.
- A set-aside for on-system bridges that are not on the National Highway System needs to be established.
- No change to the sufficiency rating system that determines which bridges are eligible for federal funds.
- Enhanced maintenance should be an eligible activity when using federal bridge funds.
- Allocation of bridge funds among the state and local governments within a state should be data driven and reflect the number of deficient bridges for both the on-system and off-system programs.
- ~~Federal funding for Forest Service bridges should not come from the off-system bridge program.~~

Rural Roads

- Additional federal highway funds should be available for rural projects on county-owned systems.
- There needs to be a simplified system of project approval on rural and other projects related to the cost, design and complexity of a project.
- The High Risk Rural Road Program should be reinstated ~~continued~~ with at least $1 billion annually in funding and an enhanced process developed for county officials to approve funding decisions. Funding for projects should be targeted toward proven and cost-effective safety improvements. Projects should be restricted to rural major or minor collector or rural local roads.
- Rural Set-Aside: In those states with a county road system, there should be a rural set-aside in the Surface Transportation Program and it should be restricted to county roads functionally classified as arterials or major and minor collectors that are administered by local governments.
- ~~The Scenic By-Way Program should be continued as an economic development tool for rural counties.~~

Surface Transportation Program

- The Surface Transportation Program (STP) should be continued with the goal of providing maximum funding to county governments with a minimum of interference by state officials concerning spending decisions.
- Division of STP funds within a state should be based on two-thirds population and one-third state discretion.
- The special rule allowing some STP funds to be used on minor collectors should be retained.

National Highway System

- The National Highway System (NHS) program should be continued to provide federal funds to maintain and upgrade the major highway network of the nation.

~~**Enhancements**~~

- ~~Funds should continue to be allocated for the Enhancement Program and shall be used for transportation projects based on local government or MPO discretion.~~

Reservation Road Program

- Reservation road funding should be continued for the improvement and maintaining of roads that are used to transport children to or from school or Head Start programs on or near reservations.

Federal Lands Access ~~Highway~~ Program

- The Federal Lands Access ~~Highway~~ Program should continue to be ~~amended to make it~~ available to fund improvements to any road that accesses or passes through federally managed public lands

~~forest lands, specifically including lands managed by the U.S Forest Service and the Bureau of Land Management~~ .and continue the requirement of a county or other local official sitting on a state committee that choses projects.

Safety

- Increase funding for safety projects aimed at reducing fatalities, especially on those rural roads where fatality rates are the highest.
- The Highway Safety and Improvement Program (HSIP) should be continued with more funding. The HSIP program should be targeted to cost-effective safety improvements; there must be a greater access for counties to HSIP funding; clear deadlines for project approval; and ~~the inclusion of county officials in each state's development of the Strategic Highway Safety Plan and~~ the creation in each state of a committee that includes county and other local government officials that will select safety projects of HSIP funding.
- Safety funding must be ~~focused~~ on those highways and roads with the highest incident levels.
- The Rail-Highway Grade Crossing set-aside should be retained with increased federal funding for grade separation improvements.
- Transfer of funds from the HSIP to other federal categories should not be permitted.
- A set-aside for the Safe Routes to School program should be ~~continued with additional funding.~~created within the Transportation Alternatives program.
- Additional technology should be used to improve transportation safety.
- Federal policy on truck weight/size shall not preempt local authority to regulate trucks. ~~A study of the impact of truck weight/size shall be undertaken.~~
- Federal incentives should be created to reduce speeding and impaired driving.

Planning

- The new legislation must require that state and local governments cooperate in the planning and funding allocation process. Metropolitan areas should retain their independence in planning and allocation of federal funds. A guiding principle should be local discretion with accountability to federal goals and priorities. This process should establish project priorities for both state and local governments and include recognition of the fiscal capacity of all levels of government to finance improvement to the surface transportation system.
- All federal categorical programs should be allocated through the planning process.
- The planning thresholds of 50,000 and 200,000 populations should not be changed.
- Metropolitan Planning Organizations (MPOs) in areas between 50,000-200,000 should have the same authority as the large urban MPOs.
- Additional funding should be made available to MPOs so they have the capacity to coordinate with state officials and do the necessary planning to address congestion.
- Local elected officials must remain a majority on any MPO. The method of allocation of votes within MPOs should be examined.
- In metropolitan regions, project reviews should reflect the goals of the federal Sustainable Communities partnership with a strong linkage with land use and include climate change impacts and the degree to which transportation projects are integrated with land use.
- Economic development, access to jobs and job creation should be included when a federal, state or regional agency is evaluating a project.
- ~~There should be a standardization of what is an acceptable level of consultation in the rural consultation process, recognizing that one size does not fit all situations.~~
- The rural planning process needs to be upgraded and additional funding should be made available to rural local governments to assist them in the planning process.

- ~~States and regional planning agencies must consider the economic development impacts of a proposed highway project in making a decision on whether or not to fund a specific project with federal - aid highway funds.~~

Research

- The Local Technical Assistance Program (LTAP) and its 58 centers are the prime source available to counties in training and technical transfer of best practices. Funding should be expanded to $15 million in FY2010 and gradually be increased to $20 million by FY2015.
- The Vehicle Infrastructure Integrations (VII) Initiative should be supported with the understanding and assurance that no new federal mandates on local government are imposed.
- Substantial funding from the General Fund needs to be available for research into alternative fuels.

Accountability

- Standard reporting forms must be used by state agencies in reporting to the U.S. Department of Transportation.
- ~~New requirement for detailed data collection~~.
- A complete data base on all federal programs should be developed.
- To measure success, performance measures need to be part of all federally funded projects.
- Allocation of federal funds within a state should be needs based using a rating system.

Regulatory Process

- While concerns about the environment should be part of the project decision making, a balance needs to be part of the process.
- There should be a simplified and integrated approach to environmental permitting related to the size and scope of the project and which focuses on saving time and dollars.
- To save time and money, timelines must be established for regulatory permitting review process.
- A "simple project" component must be developed that focuses on funding project improvement directly to local governments and has an outcome based accountability.
- ~~Clear rules need to be created and agreed to by all agencies.~~ Permitting agencies must coordinate and proceed concurrently to minimize delay in project approval.
- To resolve environmental impact statement and permitting issues, there must be a required point of contact within each state and on the federal level.

Mandates

- All new federal mandates in the transportation area should have specific funding streams attached. Current federal mandates attached to highway and transit funding should be reviewed.
- Land use regulation, a major consideration in transportation, should remain the responsibility of county and other local governments.

Workforce

- Some level of local hiring preference should be permitted on highway and transit projects to encourage employment of local workers on projects.

Background: There is a crisis in surface transportation and it is time to challenge the traditional approach to the authorization of the federal surface transportation program. The federal program must be improved to solve the congestion and safety challenges of the 21st century and the financial integrity of the financing system must be addressed. Counties are a key part of the nation's integrated transportation system and must part of the solution. A highway, bridge and transit program must be developed for the future that focuses on reliability, system preservation, innovative solutions and partnerships. An improved system of project delivery, flexibility and improved accountability will contribute to a better federal program.

Congress periodically reviews and considers new surface transportation legislation that provides for the authorization of the federal highway and transit programs. These programs are very important to county governments that own 1.8 million miles of roads, 256,000 bridges, and one-third of the nation's transit systems. The current federal program, MAP-21, became law in 2012 and will provide $118 billion in funding for highways and transit over its 27 month authorization period, which ends September 30, 2014. It is primarily financed by the federal 18.3 cent fuel tax, but in order to get to the $118 billion funding level Congress had to transfer $21.2 billion from the General Fund into the Highway Trust Fund. Prior to the passage of MAP-21, Congress had to transfer $34.5 billion from the General Fund to keep the highway and transit programs fully funded. Issues under consideration for the reauthorization include the adequacy of current funding in face of the substantial needs of the system; adequacy of the fuel tax as a future funding source; more funding for county-owned highways, bridges and transit systems; concerns about highway safety and the 32,000 fatalities each year on the system, a disproportionate number of which occur on two lane rural roads; increasing congestion in the nation's metropolitan regions, and the need to streamline the regulatory system so that projects can delivered more quickly and at a lower cost.

Fiscal/Urban/Rural Impact: Reauthorization could mean substantial additional resources and regulatory relief to highways, bridges and transit systems owned by urban and rural county governments.

Sponsor: Council Member Jim Healy, DuPage County, IL

Proposed Resolution on Railroad Freight Equity

Issue: The Staggers Act of 1980 partially de-regulated the rail freight industry. Due to consolidations of railroads, many shippers are left with no freight rail competition, especially in shipping points where other means of shipping are not viable.

Proposed Policy: NACo supports a strong, competitive freight rail system that promotes the economic development of our counties by helping shippers compete in national and global marketplaces. NACo supports an effective, and balanced, regulatory oversight of the nation's freight railroads by the federal Surface Transportation Board to ensure equitable rates, competition between among railroads and among all modes of transportation, and ensures that disputes over rates for shippers are resolved fairly, affordably and expeditiously. NACo strongly encourages the nation's freight railroads and shippers to jointly continue developing independent alternative dispute resolution systems, offering quick and affordable mediation and arbitration of rate disputes.

Background: The Staggers Act of 1980 partially deregulated the freight rail system, relying on market competition to replace prescriptive government regulation. But due to the nature of the rail system, Congress understood that a regulatory board (now the Surface Transportation Board, or "STB") was needed to protect rail-dependent shippers that do not have the benefit of market competition.

The Staggers Act stated purpose was to "maintain reasonable rates where there is an absence of competition and where rail rates provide revenues which exceed the amount necessary to maintain the rail system to attract capital", to "prohibit predatory pricing and practices" and "to avoid undue concentrations of market power. Major freight railroads have been consolidated leaving no market competition in many shipping points to regulate rail freight rates. Many shippers feel the STB has not fulfilled its obligations resulting in shippers being captive to the rates the freight railroads choose to charge. Challenges to freight rail rates to the STB are costly and very time consuming and are seldom successful.

Today, rail dependent shippers are left with no market competition and an unworkable regulatory system. Recently, there has been some progress due to NACo involvement in this issue that has led to less costly independent arbitration/mediation between Class I railroads and groups of shippers.

Sponsors: Commissioner John Ostlund, Yellowstone County, MT; Commissioner Maureen Davey, Stillwater County, MT

Proposed Resolution on Railroad Quiet Zones

Issue: Supporting feasible and safe implementation of railroad quiet zones through modification of the Train Noise Rule.

Proposed Policy: NACo urges the U.S. Congress and Federal Railroad Administration to reexamine the Train Horn Rule (49 CFR, Part 222, the Use of Locomotive Horns at Highway-Rail Grade Crossings) in order to determine how local communities can feasibly implement quiet zones without insurmountable costs and processes while also continuing to protect public safety.

Background: Train horn noise can be a considerable and disruptive nuisance to residents in local communities and has been cited as a deterrent to economic and residential development, discouraging businesses and housing developers from building or locating in the heart of communities. The Train Horn Rule, established in 2005 to protect public safety at railroad crossings, requires train operators to sound train horns at specified levels of at least 96 decibels at crossings in town centers and residential areas even when there are signals and crossing gates, unless a quiet zone has been implemented.

The Train Horn Rule allows communities to create quiet zones in which train operators are not required to sound the horns. However, the steps that communities must take to establish quiet zones are onerous and prohibitively expensive. Implementation of the requisite studies and new infrastructure for quiet zones cost local communities hundreds of thousands or even millions of dollars, and many communities have numerous crossings in their populated area which multiplies the expense significantly.

Greater flexibility is needed to allow for local communities to establish quiet zones in a way that is economically feasible yet also continues to protect the public's safety at rail crossings. It is important that the U.S. Congress and the Federal Railroad Administration work with the nation's counties to reexamine the Train Noise Rule to allow communities to create quiet zones without onerous requirements and prohibitive expense.

Fiscal/Urban/Rural Impact: Modifying the Train Noise Rule for greater flexibility would enable rural and urban local communities to more affordably implement safety measures that allow for decreased train horn nuisance noise in town centers and residential areas. The decreased nuisance noise would improve quality of life and support economic development and vitality.

Sponsor: Commissioner Deb Gardner, Boulder County, CO

Proposed Resolution Supporting a Funding Set-Aside and/or Performance Measures for On-System Bridges

Issue: MAP 21's elimination of dedicated revenue for On-System bridges

Proposed Policy: NACo urges Congress to protect this nation's On-System bridges through reauthorization of MAP-21 that creates a dedicated funding set-aside and performance measures for these important highway facilities.

Background: Safe and reliable local bridges are critical to maintaining a healthy transportation system and protecting the safety of the traveling public. MAP-21 recognizes the benefits to America from maintaining safe and passable bridges throughout the nation. It includes methods to continue maintenance for two of the three categories of structures on the transportation system: those on the National Highway System (NHS) and Off-System bridges.

Future NHS bridge maintenance is assured by performance measures that our 50 states must meet in order to avoid restrictions on federal transportation funding. Future Off-System bridges are funded by a specific set-aside of transportation funding for their maintenance. However, MAP-21 does not provide secured future funding for the On-System bridges; those on Federal-Aid Routes, but not on the NHS. These structures account for a significant portion of this nation's bridge inventory. They carry millions of vehicles each day and are integral parts of our arterial and collector road system.

On-System bridges need to be protected and maintained into the future and continuing federal funding, similar to the previous Highway Bridge Program (HBP), for this category of bridges is critical to local agency's ability to maintain these facilities into the future.

Fiscal/Urban/Rural Impact: Continued federal funding for the maintenance of On-System bridges which are a significant piece of county transportation infrastructure systems around our nation. Without dedicated funding for On-System bridges, counties could have to invest billions of dollars from other sources of funding for transportation infrastructure, diverting revenues critical to other important transportation infrastructure projects and programs.

Sponsors: Salud Carbajal, Supervisor, County of Santa Barbara, CA; California State Association of Counties (CSAC)

Proposed Resolution on Harbor Maintenance Fees

Issue: Need for investment in the maintenance and improvement of coastal and inland port infrastructure to promote economic growth

Proposed Policy: NACo urges Congress to enact legislation that supports full expenditure of Harbor Maintenance collections; and to provide equity for deep draft ports that contribute collections to the fund, but do not have significant dredging needs, and should be allowed to access these funds for limited port-related uses.

Background: International trade, and freight related to international trade, is an essential part of economic growth and job creation. Ports are the engines that drive international trade, but are currently hindered in accomplishing their trade/jobs mission by unfilled infrastructure needs. Harbor Maintenance fee collections, collected by ports, are being held unspent by the federal government. Full expenditure of these fees would help ports meet their infrastructure needs. At the same time, deep draft ports, while contributing greatly to the Harbor Maintenance fund, are unable to access those funds due to restrictions on expenditure that allow only dredging.

Providing equity by allowing expanded uses of the fund for port-related infrastructure projects would further facilitate economic growth. Foreign shippers currently can use the land border loophole to evade Harbor Maintenance fees, creating an economic disadvantage for American ports. A policy that creates a level playing field for all non-NAFTA, U.S.-bound international maritime cargo eliminates that disadvantage. Implementation of a policy that includes these three points would make American ports more competitive by improving their infrastructure and removing a major competitive disadvantage they now operate under.

Fiscal/Urban/Rural Impact: Urban and rural counties and their economies would benefit from increased and equitable federal investment in port infrastructure and a level playing field for all non-NAFTA, U.S.-bound international maritime cargo.

Sponsor: Dave Gossett, Councilmember, Snohomish County, WA

Proposed Resolution Endorsing a Towards Zero Deaths Safety Strategy at the National and Local Levels

Issue: Counties have a significant role in reducing highway fatalities and serious injuries.

Proposed Policy: NACo endorses a Towards Zero Deaths (TZD) Safety Strategy at the national level and will support actions and promote policies that support its effective implementation across all levels of government and encourage counties to make full use of available tools and funding to reduce fatalities within their jurisdictions.

Background: Motor vehicle crashes, deaths and associated injuries continue to disrupt the quality of life and inflict harm in communities across the Nation. Highway fatalities and injuries continue to occur at unacceptable levels of human and economic loss with nearly 34,000 fatalities, 2.2 million injuries, and $230 billion recorded nationally in 2009.

More than fifty percent of all U.S. highway fatalities occur on local roads, most of which are rural in nature, and that are not under state ownership. Safety improvements targeting these roadways hold the greatest opportunity in reducing overall numbers.

Current funding for local safety improvements aimed at both specific high crash locations as well as systemic safety improvements at similar risk-based locations throughout the roadway network has never been greater. Adopting a TZD approach at the local level can serve as a call to action to bring together a varied group of partners to work to identify specific actions making use of this existing funding based on unique individual community priorities. Proven methods such as Local Road Safety Plans, Road Safety Audits (RSAs), and the American Association of State Highway and Transportation Officials (AASHTO) Highway Safety Manual (HSM) Roadway Safety Management Process are key resources to review as well as the Federal Highway Administration's Local and Rural Road Safety Program website.

Fiscal/Urban/Rural Impact: Counties could experience a reduction in highway deaths and serious injuries while leveraging federal funds already set aside for these initiatives.

Sponsor: David Brand, County Engineer, Madison County, OH

Proposed Resolution on High-Speed Intercity Rail for the 21st and 22nd Centuries

Issue: High-Speed Intercity and Interstate Passenger Rail for the 21st and 22nd centuries

Proposed Policy: NACo supports a national dialogue to establish a new high performance national standard for high speed intercity and interstate passenger rail and a corresponding vision and implementation plan for the 21st and 22nd centuries.

Background: Over the last several decades, the Federal Railroad Administration (FRA) has overseen the deployment of conventional diesel powered heavy passenger rail vehicles on freight railroad owned tracks with speeds typically averaging between 20 and 50 mph. While such a model can be successful for commuter rail applications in urban corridors of less than 100 miles, this is a very challenging model for intercity passenger corridors of 100 to 500 miles and longer. Slow average speeds and excessive travel times undermine the ability of intercity passenger rail to compete with other modes of transportation for ridership and revenue and mandate low fares in order to attract consistent ridership. When low fares and the resulting revenue fail to cover operating expenses, large annual operating subsidies are required at the local level. State and local taxpayer support for continued annual operating subsidies for poor performing intercity passenger rail systems is uncertain.

The U.S. Department of Transportation (USDOT), through the FRA High Speed Intercity Passenger Rail (HSIPR) grant program has awarded individual grants to states and encouraged states to develop their own intercity passenger rail programs. The majority of these programs rely heavily on freight railroad infrastructure which was never intended for high speed passenger rail operation in excess of 90 mph. As a result, participating states are moving forward with “Intermediate-Speed” or “Higher-Speed” passenger rail service with average speeds in the 40 mph to 60 mph range which may still require significant annual operating subsidies at the local level.

The USDOT has an opportunity to move high performance, high speed intercity and interstate passenger rail forward as part of a comprehensive 21st and 22nd century multi-modal transportation network for America, however it has not yet created a vision and plan for developing completely dedicated and grade separated electric guideways that are required for high speed intercity passenger rail operation in the 200 to 300 mph range. These speeds are necessary to compete with automobile and commercial air travel in long distance intercity corridors and will provide the ridership and fare revenue required to cover operational costs and sustain intercity passenger rail service well into the future.

The USDOT has an opportunity to set a true high speed intercity and interstate passenger rail national standard which will allow for the interoperability of high speed passenger rail systems between states and across the county. Federal leadership is necessary to create this exciting vision and develop an implementation plan that all states can strive to achieve.

Fiscal/Urban/Rural Impact: A new national standard for high speed intercity passenger rail is not likely to fiscally impact local governments directly, but federal policies could ultimately result in direct or indirect fiscal impacts to local governments.

Sponsor: Council Member Jim Healy, DuPage County, IL

Proposed Resolution on Truck Size and Weight

Issue: Truck size and weight

Proposed Policy: NACo strongly opposes any legislation that seeks to increase truck size or weight limits beyond those in current federal law because of the enormous highway safety, infrastructure damage, and transportation funding implications of changes in truck size or weight.

Background: There is concern that attempts are being made at the federal level to increase the federal standards for truck size and weight beyond the capacity of existing road infrastructure. Longer and heavier trucks accelerate deterioration of roads, and bridges, putting further pressure on local taxpayers to fund infrastructure. Investments in our county, state and federal road systems have not kept up with the increased traffic levels. Current funding for roads and bridges across all government levels is inadequate and investments by local governments have been curbed by cuts in municipal state aid, county state aid and a shrinking federal highway program fund.

NACo, along with many county and municipal associations, strongly opposes all legislation that attempts to shift costs and liability of private business on to local governments and threatens local control of local roads. Longer combination vehicles ("LCVs," long double- and triple-trailer trucks) have an 11 percent higher fatal accident involvement rate than single tractor-trailers. They also have poorer stability than singles and a larger crash footprint. Heavier tractor-trailers have an increased risk of rollover because they have a higher center of gravity. Increasing truck weight likely will lead to brake maintenance problems and longer stopping distances. Heavier trucks are harder to steer because of their extra axle and accidents involving heavier weights are likely to be more sever.

The most recent effort to increase truck weight and size was defeated in 2012 by members of the House Transportation and Infrastructure Committee during consideration of the House surface transportation legislation.

Fiscal/Urban/Rural Impact: Maintaining current federal truck size and weight standards on the Interstate System and imposing similar standards on the rest of the National Highway System would limit the increased risk of damage or deterioration of highways, roads and bridges and the associated costs with maintaining state and local highways.

Sponsor: Judge Glen Whitley, Tarrant County, TX

Proposed Resolution on Commuter Rail Trackage and Operating Rights

Issue: Provision of commuter rail service

Proposed Policy: NACo supports access for commuter and intercity rail providers to freight rail tracks for the provision of commuter rail service in return for reasonable compensation and terms and recommends the Surface Transportation Board have jurisdiction therein.

Background: Many county and other local and state governmental agencies are interested in providing expanded or new commuter rail service in order to provide another alternative to commuters in the region and to reduce congestion on the highway system. One of the major impediments to offering more commuter rail service is access to freight rail tracks and in some cases the reluctance of the freight rail companies to make trackage available. The companies regard their tracks as private property, believe commuter rail will interfere with freight rail service, and have general concerns about the liability issues associated with commuter rail usage of their tracks.

For providers of commuter rail, it is often unrealistic and cost prohibitive to purchase and develop rights-of-way dedicated only to commuter rail. Generally, it makes much more sense to use the existing tracks owned by freight rail companies and to develop cooperative relationships that address the companies concerns. Under federal law, Amtrak has access to the freight rail infrastructure and it makes sense for commuter rail to have the same access.

If commuter rail was granted similar authority, under this scenario a provider of commuter rail services would negotiate for track access with a freight railroad. However, if an agreement could not be reached, the commuter rail provider would appeal to the Surface Transportation Board, which then would have the authority to order that the facilities be made available and prescribe reasonable terms and compensation within 90 days.

Fiscal/Urban/Rural Impact: Would allow any urban or rural county government seeking to provide commuter rail service on freight rail infrastructure to do so at a fair and reasonable cost.

Sponsor: Council Member Jim Healy, DuPage County, IL

Proposed Resolution on Mitigating the Impact of Rail Mergers and Buyouts on Local Communities

Issue: Impacts on a county or other local government and its residents of a freight rail merger or buyout

Proposed Policy: NACo supports a change in federal law requiring the Surface Transportation Board (STB), in a proceeding involving the merge or control of at least one Class I railroad, to consider the effect on the public interest, including the safety and environmental effect of the proposed merger on local communities, intercity rail passenger transportation, and commuter rail passenger transportation; to prohibit the STB from approving mergers if a cost-benefit analysis of their impact on safety, rail service and resulting public investments for infrastructure upgrades on all affected communities outweigh the transportation benefits; and to authorize the STB to impose conditions to mitigate the effect of mergers on local communities.

Background: When freight rail mergers or buyouts occur, there may be substantial community impacts and a community's citizens may often look to county government to assist them. Often these mergers and buyouts result in significantly increased rail traffic which has a substantial effect on grade crossing and traffic as well as increased noise.

Given that county and other local governments have no regulatory authority over freight railroads and no standing in federal courts, there is little they can do to either challenge these mergers and buyouts or require mitigation of the community impacts. The result is that if any mitigation is to occur it must be done by local governments. This is often impossible due to the substantial costs connected with the improvement of grade crossings and the results are substantial negative effects on the local community in terms of traffic delays and congestion.

Fiscal/Urban/Rural Impact: Could result in substantial savings to both urban and rural county governments.

Sponsor: Council Member Jim Healy, DuPage County, IL

Proposed Resolution Supporting Customs Fees Being Used for Port Infrastructure Development

Issue: Inadequate investment in the maintenance and improvement of coastal and inland port infrastructure

Proposed Policy: NACo urges Congress to support a policy that would dedicate a percentage of the custom duties attributable to maritime port activity to improve the maintenance and development of coastal and inland ports and waterways.

Background: There are 126 public seaport agencies, established by state law, owned and operated by state, county, city governments and port authorities that develop, manage and promote the flow of waterborne commerce and act as catalysts for economic growth. These ports handle in excess of $600 billion in international trade and the volume of this trade is expected to double by 2020. In terms of employment, 4.9 million jobs accounting for $44 billion in personal income is generated by ports.

Further investment in port infrastructure, such as berths, intermodal connections, and channel dredging, is necessary to maintain this economic engine of the U.S. economy. During the past five years, the port industry has invested more than $8 billion in modernizing and upgrading facilities. However, much needs to be done and there is currently inadequate federal investment in these facilities.

Customs duties, based on the value of cargo, are a potential source of federal infrastructure investment. Generating $17.5 billion annually from seaport activities, none of these funds, paid by the users of the port system, are dedicated to infrastructure investment. Customs duties go directly into the general fund of the U.S. Treasury where a portion goes toward the promotion of agricultural exports and most goes toward deficit reduction and the funding of other federal discretionary spending.

Fiscal/Urban/Rural Impact: Urban and rural counties and their economies would benefit from increased federal investment in port infrastructure.

Sponsor: Council Member Jim Healy, DuPage County, IL

Proposed Resolution to Create a National Indemnity Liability Fund for Public Transit Agencies Authorities

Issue: National indemnity liability fund for transit agencies/authorities

Proposed Policy: NACo supports the creation of a national indemnity liability fund for public transit agencies/authorities that wish to operate commuter rail services in freight rail corridors. NACo further supports an initial federal appropriation of $200 million that will be used to establish an initial reserve for this fund that will subsequently be managed and maintained by fund participants through premium payments and a professional risk management program.

Background: It is in the nation's interest to use freight rail corridors for commuter rail service. More communities are doing this in metropolitan areas as one approach to improve mobility and reducing congestion. This is normally far less expensive than purchasing a dedicated right-of-way. Freight railroads now require public transportation entities to purchase insurance to indemnify and hold freight railroads harmless as a condition for use of such rights of way for publicly sponsored and funded commuter rail service.

It is in the local and national interest that a national liability fund be created so that all public transportation entities who wish to operate commuter rail services could buy into such a fund and secure required coverage at rates less expensive than purchases of first dollar coverage by each individual transit agency.

Fiscal/Urban/Rural Impact: It would assist local governments keep down the cost of operating commuter rail services. It would likely continue inter-urban rail lines operable for years to come.

Sponsor: Council Member Jim Healy, DuPage County, IL

Proposed Resolution on Flexible Transit Funding

Issue: Lack of flexibility denies local transit operators from using federal funds to provide service for special events.

Proposed Policy: NACo supports amending Title 49 and revising federal transit regulations to allow more flexibility for transit operators in the spending of federal transit funds, when providing service for local special events.

Background: Transit operators are often constrained from providing certain types service when utilizing federal funds. Maximum flexibility would assist local transit systems in better serving their communities and riders as long as there is a demonstrated public purpose such as significant traffic reduction, reduction of parking demands, sustainability, including lowering of fuel consumption, and the introduction of residents to public transit rider ship. The point is not to compete with charter bus services, but to be allowed to provide service where there is a county interest and participation in an event, such as transporting citizens from a transit rail line to a county function or where a county is involved in a charitable event and wants to provide transit services to those participating.

Fiscal/Urban/Rural Impact: Urban and rural counties would benefit from better transit service and counties would be able to spend federal transit funds where the needs exist.

Sponsor: Commissioner Sally Heyman, Miami-Dade County, FL