



virtual
Summer
Event series
July **8-16**, 2021

Finance, Administration & Intergovernmental Relations

2021 Summer Leadership

Virtual meeting

July 12-16



Agenda: Finance, Administration and Intergovernmental Affairs Federal Advocacy Committee

Summer Board and Leadership Meeting
Note: All times Eastern

<p>1:30 p.m. – 2:30 p.m.</p>	<p>FEDERAL ADVOCACY GENERAL SESSION</p> <p>For the first time, the American Rescue Plan Act (ARPA) gives every city, town and village access to direct federal funds through the Coronavirus Local Fiscal Recovery Fund. This program offers city leaders an unprecedented opportunity to address their community needs that have arisen as a result of the pandemic.</p> <p>NLC and Polco are developing a tool to help municipalities assess these needs to best leverage the Fiscal Recovery Funds to effectively and efficiently improve the lives of their residents. During this session, Polco will demonstrate this tool, and city leaders will highlight their plans to address their own community needs.</p>
<p>3:00 p.m. – 4:30 p.m.</p>	<p>FINANCE, ADMINISTRATION AND INTERGOVERNMENTAL RELATIONS COMMITTEE MEETING</p>
<p>3:00 p.m. – 3:10 p.m.</p>	<p>WELCOME, INTRODUCTIONS AND MEETING OVERVIEW</p> <p>The Honorable Mark Douglas, Chair Commissioner, Sunrise, Fla.</p> <p>Commissioner Douglas will welcome the committee, allow people to introduce themselves, and provide an overview of the meeting’s agenda.</p>
<p>3:10 p.m. –4:15 p.m.</p>	<p>POLICY RESOLUTION DISCUSSION: REVIEWING AND EXAMINING THE 19 POLICY RESOLUTIONS IN THE FAIR CHAPTER</p> <p>The Committee will spend the meeting working through and discussing the 19 policy resolutions in the FAIR chapter. We will use the time to discuss which one merit keeping and which one merit setting aside. This is key work that needs to be done in advance of the November meeting, where the 2022 National Municipal Policy is set.</p>

4:15 p.m. – 4:30 p.m.	TIME FOR OPEN DISCUSSION ON ANY OUTSTANDING ISSUES After reviewing and discussing the policy resolutions, we will set time aside for members of the FAIR Committee for discussion about issues that members might want the Committee to examine, work on, or otherwise discuss.
4:30 p.m.	NEXT STEPS AND ADJOURN The Honorable Mark Douglas, Chair Commissioner, Sunrise, Fla.

Attachments:

FAIR 2021 Roster

Table of Resolutions and Proposals that the Chairman Proposes to Renew, Renew with Edits or Let expire

FAIR Chapter – Policy and Resolutions

*Don't forget to register for [City Summit!](#)
 Salt Lake City, UT
 November 18-20, 2021*



CITIES STRONG TOGETHER

Finance, Administration & Intergovernmental Relations (FAIR) Committee Roster

Leadership

- Chair Mark Douglas, Commissioner, City of Sunrise, FL
- Vice Chair Victoria Farrar-Myers, Mayor Pro Tem, City of Arlington, TX
- Vice Chair Matt Orlando, Councilmember, City of Chandler, AZ

Members

- Kent Back, Council Member, City of Gadsden, AL
- Thomas Barnhorn, Vice Mayor, City of Seminole, FL
- Chris Brown, City Controller, City of Houston, TX
- Leondrae Camel, City Manager, City of South Bay, FL
- Brian Dehner, City Administrator, City of Edgewood, KY
- Kevin Dumas, Town Manager, Town of Mansfield, MA
- Curtis Gardner, Council Member At-Large, City of Aurora, CO
- Rick Grady, Council Member, City of Plano, TX
- Monica Higgs, Councilmember, City of Seat Pleasant, MD
- Robert Kelly, Mayor, City of Great Falls, MT
- Jacob LaBure, Councilman, City of Lakewood, CO
- Ryan Lee, Intergovernmental Programs Manager, City of Glendale, AZ
- Ken Moore, Mayor, City of Franklin, TN
- Sue Osborn, Mayor, City of Fenton, MI
- Katherine Reading, Councilmember, City of Burleson, TX
- Timothy Rohr, City Attorney, City of Lenoir, NC
- Kyle Shephard, Director of Intergovernmental Relations, City of Orlando, FL

- Mark Shepherd, Mayor, City of Clearfield, UT
- Doug Sprouse, Mayor, City of Springdale, AR
- Tanner Warner, Treasury Analyst, City of Gresham, OR
- Deverick Williams, Council Member, District 2, City of Gadsden, AL

NLC POLICY DEVELOPMENT AND ADVOCACY PROCESS

As a resource and advocate for more than 19,000 cities, towns and villages, the National League of Cities (NLC) brings municipal officials together to influence federal policy affecting local governments. NLC adopts positions on federal actions, programs and proposals that directly impact municipalities and formalizes those positions in the [National Municipal Policy \(NMP\)](#), which guides NLC's federal advocacy efforts.

NLC divides its advocacy efforts into seven subject areas:

- Community and Economic Development
- Energy, Environment and Natural Resources
- Finance, Administration and Intergovernmental Relations
- Human Development
- Information Technology and Communications
- Public Safety and Crime Prevention
- Transportation and Infrastructure Services

For each of the seven issue areas, a Federal Advocacy Committee advocates in support of NLC's federal policy positions. Members of each committee serve for one calendar year, and are appointed by the NLC President.

Federal Advocacy Committees

Federal Advocacy Committee members are responsible for advocating on legislative priorities, providing input on legislative priorities, and reviewing and approving policy proposals and resolutions. Additionally, Committee members engage in networking and sharing of best practices.

Federal Advocacy Committees are comprised of local elected and appointed city and town officials from NLC member cities. NLC members must apply annually for membership to a Federal Advocacy Committee. The NLC President makes appointments for chair, vice chairs, and general membership. In addition to leading the Federal Advocacy Committees, those appointed as committee chairs will also serve on NLC's Board of Directors during their leadership year.

At the Congressional City Conference, Federal Advocacy Committee members are called upon to advocate for NLC's legislative priorities on Capitol Hill, as well as develop the committee's agenda and work plan for the year. Committee members meet throughout the year to further the plan, hear from guest presenters, discuss advocacy strategies and develop specific policy amendments and resolutions. At the City Summit, committee members review and approve policy proposals and resolutions. These action items are then forwarded to NLC's Resolutions Committee and are considered at the Annual Business Meeting, also held during the City Summit.

Advocacy

Throughout the year, committee members participate in advocacy efforts to influence the federal decision-making process, focusing on actions concerning local governments and communities. During the Congressional City Conference, committee members have an opportunity, and are encouraged, to meet with their congressional representatives on Capitol Hill. When NLC members are involved in the legislative process and share their expertise and experiences with Congress, municipalities have a stronger national voice, affecting the outcomes of federal policy debates that impact cities and towns.

FINANCE, ADMINISTRATION AND INTERGOVERNMENTAL RELATIONS (2021)

1.00 Introduction

Finance, Administration, and Intergovernmental Relations' chapter of NLC policy focuses on the interplay of federal policies and local governments. NLC recognizes that local government is the level of government most closely connected with citizens. Local government has the direct responsibility for providing necessary daily services, solving day-to-day public problems and responding directly to the needs of its citizens. The following chapter highlights important prerogatives of local governments and our concerns about how federal policies impede and restrict the authority and control of local elected officials to provide necessary daily services, solve day-to-day problems, and respond to needs of citizens.

A. Intergovernmental Relations

Each governmental entity has a responsibility to provide services, solve problems, and answer to the needs of its citizens. Local government, through federalism, needs partnership with County, State, and Federal partners. Partnership involves cooperative behavior with give and take and sharing of duties and responsibilities. The Federal Government should avoid using its significant financial powers to the detriment of local government, and it should not use the bureaucracy of complex regulations, policies, and federal departmentalization to stunt, delay, impede, or control local governmental decisions regarding how to provide for the needs of its citizens. Federal overreach through mandates, failure to act on E-Fairness, interference with collection of local taxes, restrictions on local authority under Takings actions, preemption of municipal regulatory authority, and restriction on municipal annexation are all examples of

Federal power influencing and interfering with local government responsibly responding to the needs of its citizens.

Intergovernmental partnership must be strengthened through all levels of government, including Federal Government flexibility in working with local governments when local governments are providing necessary services, solving day-to-day problems, and responding to the needs of citizens. Federalism requires acknowledgment of respective roles, duties, and responsibilities for each level of government. Federalism is promoted when boundaries of authority and responsibility are identified, delineated, and respected by all the partners of government.

B. Finance

There are numerous areas wherein federal policies directly impact the ability, authority, and constitutional autonomy of local elected officials to meet the needs of their citizens. Federally-created mandates create a burden on local officials to meet federal bureaucratic regulations, and lack of appropriate funding or assistance in meeting those requirements exacerbate that burden. As such, the Federal government should not create policies or regulations that impose disproportionate responsibilities on local governments or increased financial liability without recognizing and accounting for the fiscal impact of those policies or regulations. Federal policies and regulations affecting local governments should not mandate new costs for local governments without providing funding to support those new mandates.

Local governments need greater flexibility and control of taxpayer funds for construction, operation, and maintenance of

vital infrastructure. Local governments are directly and immediately linked to citizens and are in a better position to identify opportunities for development while maintaining a sense of community and developing tailored solutions to problems. Open and transparent federal budgetary processes, while allowing local governments the maximum flexibility and control over their funding and financing mechanisms, encourages economic growth both locally and nationally. Federal government's fiscal health directly affects local government's ability to provide necessary daily services and answer the needs of citizens. All federal fiscal policies should be designed to not diminish the ability of local elected officials to respond to economic needs of local government, especially during times of economic downturn.

C. Fiscal Conditions

NLC supports policies that grant administrative control of programs, projects, and use of tax revenues to the lowest and most directly-connected level of government as possible. Local governments are best suited to administer programs and monitor programs for the benefit of local citizens. Activities by the Federal Government that impede the ability of local governments to manage franchising, zoning, permitting, local licensing, and local code development stymie the growth of local economies and cities. Preemption or federalization of programming and other regulator activities diminish citizen input for community development.

Local control protects the health, safety, and welfare of local citizens more nimbly, quickly, and realistically than federally-operated and controlled programs. As such, federal policies and regulations should always identify means, methods, and language that push greater control and flexibility to local levels for greater citizen

interaction, input, participation, and solutions.

1.01 Finance

A. Federal Budgetary Practice and Deficit Reduction

NLC supports and encourages an open and transparent budgetary process that includes analysis of the fiscal impact on municipalities and projections regarding sustainability of long-term programs and obligations.

There should also be demonstrable progress towards a balanced federal budget that does not impugn cities' local control and authority. In working towards the goal of a balanced budget, the taxing authority of local municipalities should not be pre-empted, degraded, or over-ridden in any manner. Deficit reduction should not rely on unfunded mandates imposed on municipalities, nor should the tax exemption on municipal debt interest – particularly as it relates to public buildings, spaces, infrastructure and utilities – be eliminated or in any way curtailed. The progressivity of the current tax system should remain in place, as should deduction for state and local taxes.

Further, NLC and its member cities should be party to the regulatory rulemaking process and any discussions that affect municipalities, with the flexibility and time provided to adequately and appropriately implement any adopted rules.

B. Deductibility of State and Local Taxes

NLC supports the longstanding principle that state and local taxes (SALT) should not be considered federally taxable income and opposes efforts to further reduce the deductibility of SALT on federal income tax returns. In order to achieve parity among communities with different sources of revenues, the SALT deduction should apply

to local income, property and sales taxes. The \$10,000 cap on SALT deductions should be eliminated to avoid the risk of double taxation and remove the downward pressure it places on local tax decisions.

C. Municipal Finance Mechanisms

The ability for local municipalities to retain maximum flexibility and control over their funding and financing mechanisms is of utmost importance. To preserve and promote that condition, the tax exempt status of municipal debt obligations should be preserved and not altered in any fashion particularly as to public buildings, spaces, infrastructure and utilities. Rules relating to issuance, deductibility, refunding, credit enhancements and market advisors should be unambiguous and consistent, offering cities the ability to act in their best financial interest.

Municipal revenue generation capability should be protected, and preference for municipal tax liens in private bankruptcy proceedings should be retained.

All financing options should be available to cities, including sale and leaseback arrangements, equipment leases, and industrial development bonds, to allow for maximum flexibility in funding the various operations in which a city engages.

C. Federal Communications Tax Reform

Federal communications taxes should be modernized while maintaining local autonomy and discretion as well as allowing for the rapid evolution and change taking place in the industry.

Cities' authority to raise revenues should be preserved, and any reforms should allow for a time of transition for implementation. Local tax policy and fees should remain agnostic with respect to technology, delivery method, or service provider. Reforms should

be revenue-neutral at the local level and should simplify the collection, reporting and auditing of local taxes. Tax obligations should not be based on presence in a taxing jurisdiction; instead destination-based sourcing should be implemented.

1.02 Municipal Administration

A. Employee Relations and Benefits

1. Municipal Pension Plans and Social Security

a. **Municipal Pension Plans:** The primary responsibility for regulating municipal pension plans rests with either state or local government. The federal government should not attempt to regulate such plans, either by legislation or by regulation. NLC opposes taxation of municipal pension plans and other employee benefit programs.

b. **Social Security System:** The Federal Government should not expand mandatory Social Security requirements for state and local governments and their employees. Imposition of expanded requirements would create large costs for municipal taxpayers, threaten the solvency of state and local retirement systems and create irreconcilable conflicts among labor agreements, pension plans, contracts, state laws and constitutions.

2. Employee-Employer Relations

The federal government should not undermine municipal autonomy with respect to making fundamental employment decisions by mandating specific working conditions, mandating collective bargaining rights, legalizing strikes, or requiring compulsory binding arbitration. NLC opposes federal legislation which singles out a class of municipal employees to be provided special investigative and disciplinary procedures.

3. *Municipal Employee Benefits*

The primary responsibility for determining, providing and financing benefits for municipal employees is and should remain the responsibility of local governments. Cities, as employers, are better suited to develop benefit packages which are sensitive to local labor markets, city labor requirements and employer-employee negotiations.

NLC is opposed to federal government taxation of “bona-fide” fringe benefits. “Bona-fide” benefits are those benefits provided by a municipality to its employees pursuant to state or local laws and regulations, contracts or collective bargaining agreements.

4. *Drugs and Alcohol*

NLC opposes any federal pre-emption of municipal authority over personnel matters related to drugs and alcohol, including treatment and drug-testing policies.

5. *Fair Labor Standards Act (FLSA)*

NLC supports Federal government efforts to reform the following areas of the Fair Labor Standards Act (FLSA):

a. The salary exemption test should be amended to provide an appropriately indexed exemption for executive, administrative, and professional employees and to provide that the “duties test” would not be considered for such employees.

b. The FLSA should be amended to allow state and local governments to deduct for absences of less than one day without losing exempt status for certain employees. Such an amendment will allow cities to discipline and control employees in the manner best suited to their individual situation.

c. The FLSA should be amended to allow state and local governments to apply

disciplinary sanctions for less than one week without losing the exempt status for such employees.

6. *Occupational Safety and Health (OSHA)*

NLC opposes any impairment of the ability of state and local governments to indemnify their agents, officers and employees against financial loss arising from the operation of locally adopted safety and insurance statutes.

7. *Americans with Disabilities Act*

NLC opposes any efforts by the federal government to dismantle or weaken the Americans with Disabilities Act.

B. Municipal Decision Making

1. Civil Rights/Equal Opportunity

Municipal governments support equal employment opportunities and have a vital and continuing interest in the development, maintenance, and extension of vigorous and effective civil rights policies. To achieve this goal, cities are committed to:

a. Supporting fully the 1964 Civil Rights Act as amended;

b. Removing artificial barriers in the recruitment, selection, hiring, promotion, transfer or discharge of employees which have no relationship to standards of performance;

c. Developing and carrying out a written affirmative action program in the recruitment of minority job candidates, women, veterans and the disabled to maximize employment opportunities for these individuals and to foster career development and advancement, including through the use of technological advances to provide workplace accommodations.

d. There shall be an equitable distribution of municipal services or benefits to all city residents.

Federal, state and local governments should all be held equally responsible for achieving diversity in their own personnel practices. Local governments should be granted any exemptions to federal discrimination laws, which the federal government now claims for itself.

2. Municipal Service Provision, Right of Way and Franchising Rights

The federal government should take no action, which abridges the right of a city to franchise, regulate, or control any person or enterprise that provides services within that city. Further, the federal government should not intrude upon the authority of a city to directly operate, contract out, or sell the operation of any service.

The federal government should not restrict the authority of municipalities to engage in activities to protect public investments in the right-of-way, to assure the appropriate placement of service lines, to regulate the placement of service facilities, and to realize the value of this public asset. These activities include the granting of franchises and licenses, the promulgation of construction standards, the levy of taxes, fees and rental charges, and the issuance of permits.

3. Regional Planning and Cooperation

Urban problems frequently cross jurisdictional boundaries and may require area-wide action to achieve measurable relief.

a. Any federal legislation or regulation which mandates area-wide planning should provide necessary resources towards the development of such an organization and state and local elected officials must be included in

decisions regarding the organization's purpose and responsibilities and the distribution of federal funding.

b. Any area wide planning organization should allow for flexible interpretation of federal guidelines to recognize local political, economic, and social conditions and to ensure the equitable distribution of program funds.

4. Municipal Liability

In recent years, cities have experienced unprecedented increases in costs to protect themselves against exposure to public liability. While municipalities must take steps to improve their own internal management programs and policies to identify, reduce, eliminate, and protect against the risk associated with providing public services, the federal government, in conjunction with state governments, can assist in these efforts by doing the following:

- Clearly defining and limiting the scope of public liability and exposure through legislation, including legislation reducing liability exposure under Section 42 U.S.C 1983 and related statutes by preventing the filing of traditional state tort claims in federal courts under the umbrella of civil rights actions;
- Lessening the personal liability risks facing individual officers and employees while performing public duties;
- Encouraging and assisting municipalities in developing flexible, cooperative solutions and alternatives for insurance, reinsurance, pooling, and risk-management; and
- Providing training, technical assistance, and education, which will improve the state of the art and practice of municipal liability, insurance and risk management.

Some specific methods for reducing municipal liability include:

- Providing in federal law that in those states where municipal liability caps exist, such caps should also be applicable to liability arising from federal statutes;
- Providing attorney fee awards to the prevailing party when federal law exposes municipalities to liability;
- Providing for a six-month notice of claim requirement when a municipality is the potential defendant;
- Providing in federal law that the statute of limitations period should be the limitations period for personal injury actions in the state of occurrence; and
- Eliminating “Monell” liability for municipalities by clearly expressing Congressional intent regarding 42 U.S.C § 1983 and clarifying that the definition of “person” under § 1983 does not include municipalities.

The federal government should consider creating alternative dispute resolution procedures, which must be exhausted before recourse to the courts is allowed for claims against municipal governments.

The federal government should implement “settlement before trial guidelines” that would allow municipalities to avoid the payment of a plaintiff’s attorney fees, if an offer of settlement by the municipality made within a specified period of time in advance of trial is greater than the relief finally granted by the court.

In the drafting or revising of federal statutes that expose municipalities or their officials to liability, the following general principles should be respected:

- a. If monetary fines are imposed by the court on a municipal government, include provisions allowing the municipality to apply these fine amounts to cure conditions giving rise to the imposition of the fine;

- b. Place limitations on the extent to which a city, or its municipal officials, may be held vicariously liable for the acts of their employees;

- c. Retain the ability of a municipality to insure or otherwise protect city officials and employees from personal financial loss connected to claims arising from their municipal government affiliation; and

- d. Require that in order to be eligible for the awarding of attorney fees, the plaintiff must substantially obtain the relief sought and any such attorney fees should be reasonable in relation to the judgment.

- e. Municipal government workers, including workers that perform a share of their duties on vessels operating in navigable waters, are protected by workers’ compensation laws, without regard to fault. The federal government should, therefore, amend the federal Jones Act to exempt municipal government employees from the provisions governing the death or injuries to an employee working on a vessel operating in navigable waters.

- f. In those cases where a trade-off of municipal authority and rights in federal legislation exists, thereby providing a legal remedy against cities, NLC believes that there should be specific statutory language declaring that the legal remedy specified is the exclusive remedy.

5. Municipal Disaster and Terrorism Insurance

In the wake of recent high-cost natural disasters and terrorist attacks, a number of insurance companies have been unable to properly cover the losses of their policy holders because the industry was overexposed to loss.

Since the September 11, 2001 terrorist attacks, the industry has virtually eliminated terrorism coverage, and if available, it is prohibitively expensive. Although a concentrated effort to prevent reliance on long-term, federally-subsidized disaster relief is necessary, an initial reinsurance system must be made available to bring stability to both industry and government as a safeguard against future acts of terrorism.

NLC urges the federal government to work with state and local governments, the insurance industry, and other stakeholders to:

- Develop insurance and reinsurance programs that will make it possible for private insurers and reinsurers to make affordable disaster insurance available to cover damage and loss caused by catastrophic natural disasters and terrorism;
- Encourage the insurance and reinsurance industries to provide incentives through rate adjustments that reward policy holders who take mitigation actions;
- Work to ensure that insurance companies do not overexpose or underexpose themselves to risk;
- Develop an incentive-based disaster insurance and mitigation system that would encourage property owners to build new homes outside high risk areas, retrofit existing structures to reduce future losses, and enable government and business to obtain the proper coverage necessary for public safety, the delivery of public services, flow of commerce, and economic development.

6. Municipal Purchasing

The federal government should not disqualify cities from the receipt of federal grant funds if cities decide to adopt special purchasing procedures based on objective and otherwise legal criteria. For example: (a) granting

preferred status to some classes of potential suppliers; (b) disqualify other classes of potential suppliers; or (c) grant less preferred status to other classes of potential suppliers.

7. Right of Municipalities to Sue

NLC opposes any federal preemption that would undermine the authority of municipalities to bring suits against other parties.

8. Reducing Barriers to Municipal Contracting with Federal Facilities

The federal government should eliminate legal and procedural barriers and solicit proposals from municipal governments to provide services to federal installations such as public safety services, ground maintenance, and public works.

9. Equal Access to Justice Act

The eligibility limits for units of local government on assets and the number of employees for awards under the federal Equal Access to Justice Act should be eliminated. NLC has no position on the modification of eligibility thresholds for non-local government entities.

10. Federal Consent Decree Fairness Act

Congress should ensure that consent decrees imposed by federal courts are drafted as narrowly as possible, limited in duration, provide for review of continuing need, and respect state and local interests and policies.

1.03 Intergovernmental Relations

A. Mandates

The federal government must not initiate laws, rules and regulations, or take other actions and activities that will mandate action on the part of local governments.

If the federal government does initiate laws, rules and regulations, the federal government

must provide reimbursement funds to compensate local governments for such mandates. Any reimbursement program should deliver funding directly to the unit of government incurring the costs.

Cost-benefit and risk assessments of current federal programs, regulations, and policies (e.g., tax policy) must be conducted to determine their adverse cost, structural, and intergovernmental impacts on local governments.

Cost-benefit and risk assessment statements must be added to all proposed legislation, rules, and regulations. Assessment of proposed rules and regulations must be completed by Congress prior to enactment and/or enforcement. NLC encourages cities to separately display the costs of state and federally mandated programs in their budgeting and reporting.

Local governments should be able to prioritize their resources to achieve the greatest risk reduction for the funds available.

The federal government should incorporate flexibility into federal and state regulatory processes because of variable local conditions. The federal government should avoid “one-size-fits-all” regulatory approaches to municipalities. While enforcement should be objective it should also take into account local conditions through the use of such mechanisms as variance/waiver procedures and locally-developed alternate compliance plans.

Local government should be afforded the opportunity for greater participation in the legislative and regulatory process. In developing and revising regulations, the

federal government shall consider the impact of these regulations on municipal governments and shall reimburse municipal governments whenever these federal mandates impose significant new cost.

Municipal elected officials and governments should participate as partners in the development of federal regulations that have a significant impact on state and local government. Laws restricting entities subject to regulation from participating in consultative processes with federal agencies to make regulations workable should be prohibited. Such exemptions will help ensure that elected state and local officials participate at an early stage in the development of federal regulations.

B. Collection of Local Taxes

NLC opposes federal legislative efforts effecting local taxing authority including the collection of tax from local businesses and the collection of franchise fees.

(See related policy under ITC Section 7.01(E)(3) Franchise Fees.)

C. Sales Tax Policy

NLC supports the autonomy of state and local governments to impose destination-based sales tax collection requirements on retailers that have an economic presence in their community, including on brick-and-mortar stores physically located within the state and remote retailers that solicit and fulfill sales into the state.

Arbitrary restrictions, such as the physical presence test and “single rate per state” rules create market distortions that unfairly disadvantage certain retailers over others.

D. Takings

NLC opposes federal regulations or statutes that place restrictions on state and local government actions regulating private property or requiring additional compensation beyond the continually evolving judicial interpretations of the Fifth Amendment of the U.S. Constitution.

The federal government shall indemnify a municipality for costs, including attorney fees, damages and awards, of litigation asserting inverse condemnation or regulatory takings claims, which arise from municipal actions necessitated by federal requirements.

The federal government should not enter into any international agreement that enables a foreign entity to seek damages predicated on the actions of a U.S. municipality, regarding alleged takings practices, which are legal under U.S. law.

E. International Trade and Local Authority

The federal government should include elected state and local government officials in international trade and all other treaty negotiations, because of their potential impacts on these governments.

F. Davis-Bacon Policy

The Davis-Bacon Act should be repealed.

G. Preemption of Municipal Regulatory Authority

The federal government shall not preempt municipal regulatory powers based on the police power of the state; however, when a clear and compelling need arises, the Congress must clearly express its intent to preempt, and accompany any such proposals with a timely intergovernmental impact analysis, including estimated costs. Local

elected officials cannot manage or guide the financial condition, character and personality, public health and safety, environmental protection or encourage the local self-determination of cities and towns without basic regulatory controls.

NLC opposes federal regulations or statutes that require retroactive compliance by municipal government.

H. Scope of Federal Regulation of Cities

The scope of federal intergovernmental regulations should be reduced and new regulations should be issued only when a clear and convincing case has demonstrated the necessity of federal regulations. In any event, federal regulation of cities should be confined to insuring individual political and civil rights, to providing for national defense, to regulating interstate commerce in resolving interstate disagreements, and to assuring the fiscal and programmatic integrity of federal grants and contracts. In all cases, maximum municipal flexibility and authority should be preserved.

In reviewing existing regulation of cities, the federal government should not use cross-over sanctions – sanctions permitting the use of federal money in one program to influence state and local policy in another as a compliance technique, should consult with states and cities on regulations involving preemption of local authority or joint standard setting, and should simplify and standardize cross-cutting requirements – federal grants used to establish certain conditions that extend to all activities supported by federal funds, regardless of their source.

I. Grant Reform and Administration

Federal grants to local governments should be used to provide fiscal support, initiate new programs or approaches to solving urban problems, increase socio-economic equity, and achieve national objectives. The following administrative and legislative measures would increase the effectiveness of this indispensable form of assistance to local governments.

- The conflicting administrative and eligibility requirements accompanying federal assistance must be simplified and standardized.
- Municipal governments could utilize federal assistance more flexibly and efficiently if some of the narrow categorical programs were consolidated into broader categorical or block grants.
- The municipal role in the federal system should be strengthened by mandating the right of city governments to review and comment on all federal assistance programs which affect their jurisdictions, and by guaranteeing the right of city governments to participate in the agency rule-making process.
- City governments should receive reimbursement for indirect costs associated with grant administration.
- In order to increase the fairness and effectiveness of the distribution of federal funds, the federal government should make uniform use of population, employment, and other data and should improve the accuracy and timeliness of all data.
- Federal legislation should be enacted to provide for the recovery from the federal

government of legal, technical, and operating costs associated with reviewing and commenting on any proposed and/or final federal audit report and/or the costs of appealing adverse grant eligibility determinations arising from such an audit report, which were incurred by a municipality, provided that the municipality substantially prevails against the recommendations of the audit report.

J. Postal Facilities

Postal facilities often serve as an anchor of many central business districts and as a major focal point of urban commercial neighborhoods. The loss of a postal facility can severely impact the health of a central business district or urban commercial neighborhoods and pose a setback to local government community and economic development plans. Under current law USPS must undertake a formal public notification and comment period prior to closing a post office. NLC urges USPS to consider impacts on local government community and economic development plans and impacts on low- and moderate income households, the elderly and the disabled as it studies postal facility closures. NLC supports legislation that would create a formal public notification and comment period prior to the closure of any postal facility and urges USPS to take a comprehensive approach to restructuring that does not rely disproportionately on postal facility closures.

K. Municipal Annexation

Annexation procedures established by state law provide for orderly growth and development of cities and annexation of unincorporated areas. While states have and should continue to have the preeminent role in annexation regulation, actions of the

federal government, through operation of many of its programs, can unintentionally or by design interfere with planned urban growth and annexation proceedings. Recognition of the authority and ability of cities to deliver utility services is directly related to issues of growth and annexation. Federal policies must take account of this essential role of city government in determining the impact of legislation affecting the provision of such services in rural areas. Increased interest by rural electric cooperatives in competing with cities to deliver utility services in rural areas experiencing residential growth and commercial/industrial development has raised serious concerns for cities. Federal policy should require that proposals to deliver such services in rural areas not duplicate the capacity of cities to serve those locations. Federal laws should not prohibit the option for cities to exercise extraterritorial jurisdiction over development, planning, and delivery of utility services in urban fringe areas adjacent to their corporate boundaries.

L. Federally Owned Property

The federal government should pay to municipalities an annual sum in lieu of payment of real property taxes on federally owned, occupied, or controlled property otherwise exempt from such property taxes. Municipalities should in no way be constrained from collecting taxes of any type that are normal and fair from any individual, business, or corporation conducting activities on or within any federally owned, occupied, or controlled property or installation.

The federal government in its development of federal facilities should: comply with city zoning and land use practices; consult with

local jurisdictions when preparing architectural and construction plans; adhere to nationally recognized building and fire and life safety code standards; maintain its facilities to the standards normally provided for similar public and private facilities; and should participate in paying the infrastructure and environmental impact mitigation costs and service fees related to the federal facility.

The federal government should not assert or cause its contractors to assert partial or full immunity from state or local taxes on a retroactive basis, for federally foreclosed property.

M. Federally Foreclosed Property

When in the course of its regulatory and other functions the federal government comes into possession of property which it does not intend to retain for its own use.

N. Census

The U.S. Census is of highest importance to America's cities and towns. The vital information provided is critical to many municipal activities such as community planning, redistricting, intercensal population estimates and providing data for federal grant formulas. Statistics produced by the Census drive the allocation of federal and state funds. Census numbers are also frequently used to help make decisions about the allocation of resources.

Cities are therefore vitally concerned that the Census produce the most accurate and timely information possible. Furthermore, the Census Bureau shall make every effort to reduce the gap in time between the reference date of statistics and their use in formulas.

In order to enhance the usefulness of the Census, Congress, working with the Administration, should create a Commission on the Census. This Commission should be composed of members of the executive and legislative branches and state and city officials. The Commission shall make recommendations for the most accurate census feasible. Whether or not such a Commission is convened, the federal government should create a separate state and local advisory committee, to advise and comment on a continuing basis regarding the development and administration of census programs.

NLC supports the ongoing engagement and development of partnership and communications efforts aimed at reducing the differential undercount of underserved segments of the Nation's cities and towns.

To overcome the problem of non-response, NLC encourages the use of proven sampling methods and other processes which will instill confidence by the local population. If numbers are produced both: (1) employing sampling methods; and (2) not employing sampling methods, both sets of numbers should be made publicly available on the same time schedule and at the smallest possible geographic level.

O. Tribes and Trust Land

NLC recognizes and appreciates that Native-American tribes are independent governments and should be partners in developing policy.

In order that all lands can be uniformly regulated and taxed under municipal laws, lands acquired by Native-American tribes and individuals shall be given corporate, not

federal trust, property status through negotiation or statutory change. Nothing in this policy should be construed as affecting lands currently in trust.

P. Transparency

The Federal Government must respond to requests by cities for non-classified federal information, under provisions of the Freedom of Information Act. The federal response must occur in ways that foster transparency and open intergovernmental communication, and must not use fees charged for the cost of information production as a practical deterrent to such communication.

Q. Election Administration

Voting is fundamental to democracy in the United States' form of government. Citizen trust in the integrity of this process is essential. Procedures and administration of this process must be completely honest, transparent and impartial. State and local officials are primarily responsible for administering the voting process but all levels of government – federal, state and local should exercise oversight in a balanced and even-handed manner. NLC is opposed to any federal laws that disenfranchise individuals from exercising their most fundamental constitutional right to vote.

NLC does support federal establishment and enforcement of standards for voting for Americans overseas, particularly members of the U.S. military and federal government employees and their dependents. The federal government should annually review state laws for any procedural or statutory inconsistencies with applicable federal laws and promptly inform state governments, the state municipal league and the state

association of counties in each state of any problems and ways to cure them.

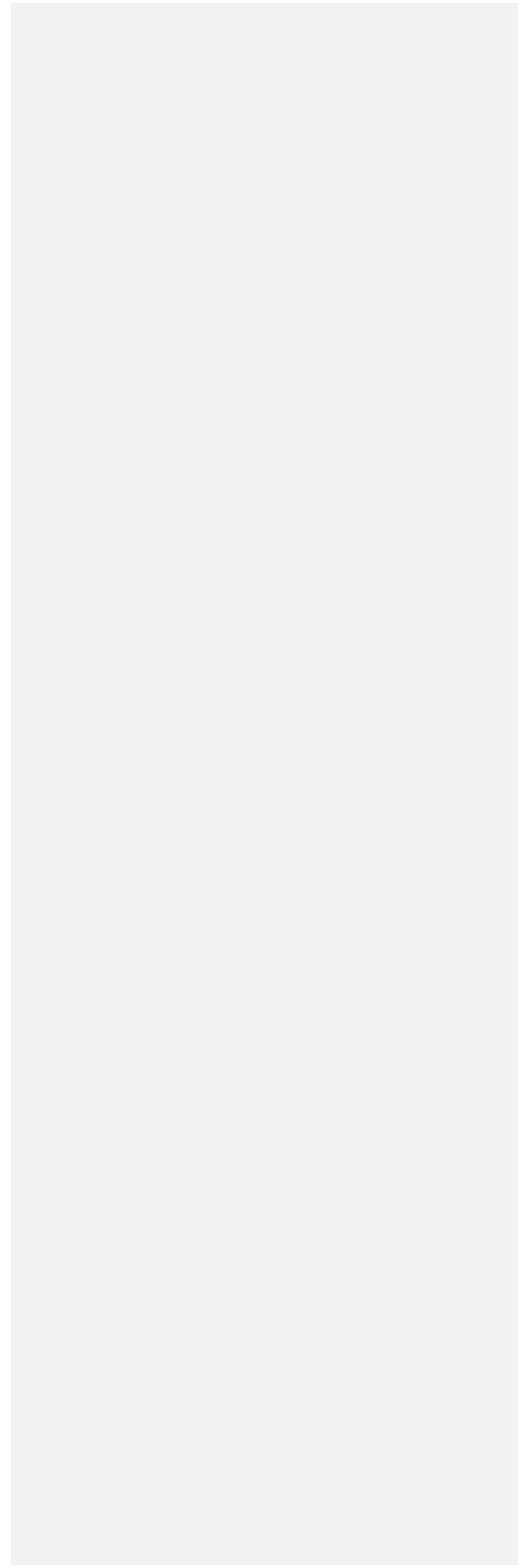
R. District of Columbia

NLC recognizes and fully supports the right of the District of Columbia’s elected representative to have full voting rights in the U.S. House of Representatives. The District of Columbia should be granted legislative and budget autonomy from the federal government.

S. The U.S. Census

NLC supports the U.S. Census Bureau’s mission to produce complete and accurate data that meets the needs of America’s cities. NLC also supports maintaining the American Community Survey, as well as Economic Census, Census of Governments, Annual Population Estimates, and other related surveys and statistics relevant to local governments across the nation.

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FAIR RESOLUTIONS

NLC resolutions are annual statements of position that sunset at the end of the calendar year unless action is taken. The committee must review each of the 2021 resolutions that originated in the FAIR Committee to determine recommendations for 2022. The committee has the following options:

1. Renew the resolution for the coming year (with or without edits)
2. Incorporate the resolution into permanent policy; or
3. Let the resolution expire.

The FAIR resolutions that were approved for 2021 at the City Summit with Chairman’s recommendations for 2022 are:

Resolution	Chairman’s Recommendation
NLC RESOLUTION #1: Calling To Resolve The Conflict Between State And Federal Cannabis Laws	Renew <u>With Edits</u>
NLC RESOLUTION #2: Enabling Adoption Of Pension Benefit Alternatives That Reduce Costs To Public Sector Employees	Let Expire
NLC RESOLUTION #3: Preserving The Tax-Exempt Status Of Municipal Bonds	Renew <u>With Edits</u>
NLC RESOLUTION #4: In Support Of Critical U.S. Census Bureau Surveys And The 2020 Decennial Census	Incorporate The Resolution Into Permanent Policy
NLC RESOLUTION #5: Opposition To A “Balanced Budget Amendment” To The U.S. Constitution	Let Expire
NLC RESOLUTION #6: Calling For The Restoration Of The Tax-Exemption On Advance Refunding Bonds	Renew <u>With Edits</u>
NLC RESOLUTION #7: Calling For The Modernization Of The Small Borrower’s Exemption (Bank Qualified Debt)	Renew <u>With Edits</u>
NLC RESOLUTION #8: In Support Of Federal Action On The Covid-19 Crisis	Let Expire
NLC RESOLUTION #9: Reforming And Updating Opportunity Zones To Improve Access For Residents And Investors To Take Part	Let Expire
NLC RESOLUTION #10: Funding For Volunteer Income Tax Assistance And Tax Counseling For The Elderly	Let Expire

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NLC RESOLUTION #11: Support For Taxpayers To Take Advantage Of Irs Free File	Let Expire
NLC RESOLUTION #12: Support For Reforming The Earned Income Tax Credit For Childless Workers	Renew <u>With Edits</u>
NLC RESOLUTION #13: Expand Penalty Free Withdrawals From Retirement Accounts For The Long-Term Unemployed	Let Expire
NLC RESOLUTION #14: Encouraging Congress To Consider Low Income Taxpayers When Developing Policies	Let Expire
NLC RESOLUTION #15: Exempts From Taxation Income From Loan Modification, Forgiveness Or Cancellation For Small Businesses	Renew <u>With Edits</u>
NLC RESOLUTION #16: Calling To Preserve And Enhance Voting By Mail	Renew <u>With Edits</u>
NLC RESOLUTION #17: Enhancing Protections For Small Businesses That Utilized Ppp Loans	Let Expire
NLC RESOLUTION #18: Support For The John Lewis Voting Rights Act	Renew <u>With Edits</u>
NLC RESOLUTION #19: Support For Voting Rights And Procedures	Renew <u>With Edits</u>

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NLC RESOLUTION #1

CALLING TO RESOLVE THE CONFLICT BETWEEN STATE AND FEDERAL CANNABIS LAWS

WHEREAS, state and local governments share with the federal government the responsibility to ensure public health and safety are addressed through competent, thoughtful, and comprehensive legislation and regulation that is reflective of local values and needs; and

~~**WHEREAS, WHEREAS**, Forty-seven states, four U.S. territories, and the District of Columbia – representing 97.7 % of the U.S. population – have legalized some form of recreational or medical marijuana, an increasing number of states have passed or are considering voter referenda or legislation to authorize the legal growth and distribution of cannabis for adults’ recreational use; and~~

~~**WHEREAS**, nearly all states have passed voter referenda or legislation authorizing the legal growth, distribution, possession and use of cannabis for a variety of medical conditions for patients suffering from serious and chronic diseases; and~~

WHEREAS, cannabis’ status as a Schedule I illicit substance on the Controlled Substances Act (CSA) and the CSA’s coupling with the Bank Secrecy Act have created a condition under which the cannabis industry has severely limited access to the federally regulated banking industry; and

WHEREAS, this condition has led to a reliance on “cash only” models that involve the transportation of large sums of paper money through cities, increase the risks of theft crimes and tax evasion, ~~and deny large groups of business owners the capital needed to enter the market; and~~

WHEREAS, the federal government has rescinded guidance that previously provided a minimal level of confidence for financial institutions looking to provide services to this growing industry, causing Congress to introduce and pass legislation to try to tackle this issue.

~~**WHEREAS**, On April 19, 2021, the House of Representatives passed H.R. 1996, the Secure and Fair Enforcement (SAFE) Banking Act of 2021. The bill would allow marijuana-related businesses in states with some form of legalized marijuana and strict regulatory structures to access the banking system. The bill passed with overwhelming, bipartisan support by a vote of 321 to 101, including 106 Republicans.~~

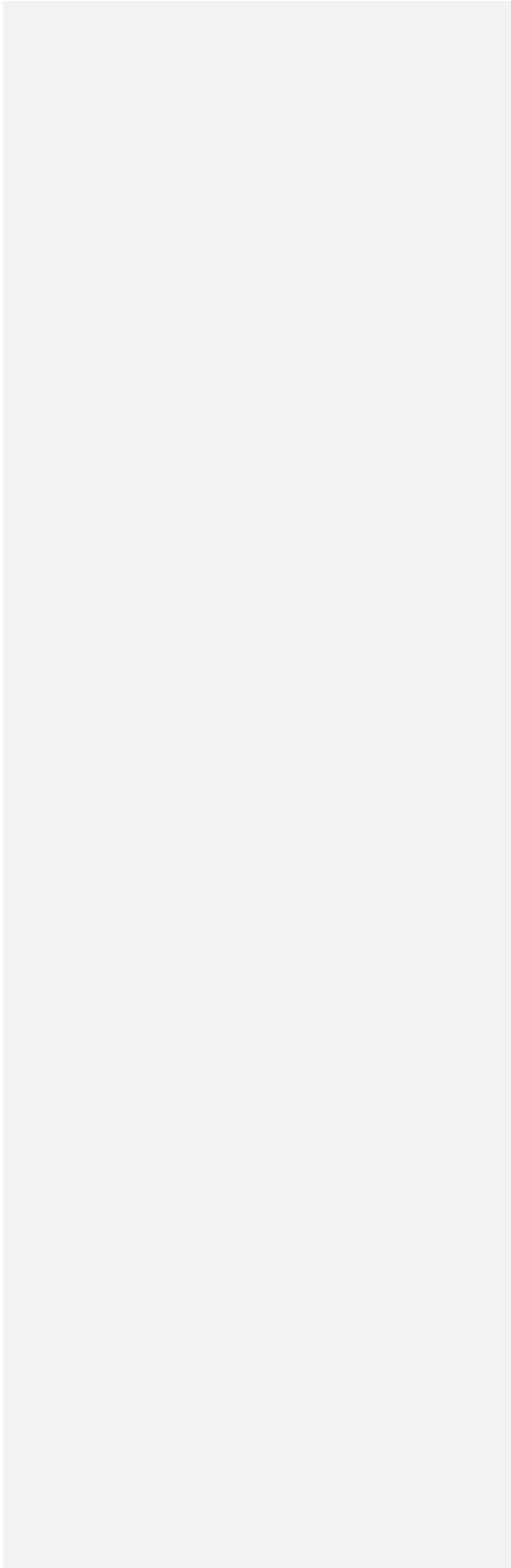
~~**WHEREAS**, On March 23, 2021, Senators Jeff Merkley (D-Ore) and Steve Daines (R-Mont.) introduced the SAFE Banking Act in the Senate with nearly a third of the chamber supporting the bill.~~

NOW, THEREFORE, BE IT RESOLVED that, while it takes no stance on state-by-state efforts to legalize or prohibit any form of cannabis, ~~NLC~~ the National League of Cities urges the federal government to resolve the conflict between state and federal cannabis laws, and to provide

Commented [MG1]: There are plenty of private money groups, venture capital and private equity that are willing to invest.

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guidance to financial institutions that results in the cannabis market having access to the federally regulated banking system.



1 **NLC RESOLUTION #3**

2 **PRESERVING THE TAX-EXEMPT STATUS OF MUNICIPAL BONDS**

3
4
5 **WHEREAS**, the federal tax exemption for municipal bonds has been in place since the federal
6 income tax was instituted in 1913; and

7
8 **WHEREAS**, tax-exempt municipal bonds are the primary funding mechanism for state and local
9 government infrastructure projects with three-quarters of the total United States investment in
10 infrastructure being accomplished with tax-exempt financing from over 50,000 state and local
11 governments and authorities; and

12
13 **WHEREAS**, the tax-exemption for municipal bonds was granted to ensure affordable access to
14 credit for municipal projects that, among other things, provide for public health and well-being, and
15 as a result, local governments have saved taxpayers an average of 20 to 25 percent on interest costs
16 with tax-exempt municipal bonds as compared to taxable bonds; and

17
18 **WHEREAS**, a cap or elimination of the federal tax exemption for municipal bonds would place
19 federal, state, and local governments at cross-purposes because any savings realized by the federal
20 government as a result of tampering with the tax exemption would be more than offset by economic
21 losses at the state and local level due to higher credit costs, canceled infrastructure projects, fewer
22 job opportunities, and a greater burden on local taxpayers; and

23
24 **WHEREAS**, stability in the municipal bond market rests on the tax exemption for municipal bonds,
25 and market stability is essential to local and national economic recovery.

26
27 **NOW, THEREFORE, BE IT RESOLVED** that the National League of Cities (~~NLC~~) calls on
28 members of Congress and the ~~President Administration~~ to state their support for maintaining the tax
29 exemption for municipal bonds to promote employment and investment in our nation's cities and
30 towns; and

31
32 **BE IT FURTHER RESOLVED** that NLC opposes any attempt to eliminate or limit the federal tax
33 exemption for municipal bonds as a part of a federal deficit reduction plan, pension reform
34 legislation, or as a consequence of efforts to advance comprehensive tax reform; and

35
36 **BE IT FURTHER RESOLVED** that NLC supports maintaining the tax exemption for qualified
37 private activity bonds (PABs) to finance critical infrastructure, affordable housing projects and other
38 local services; and

39
40 ~~**BE IT FURTHER RESOLVED** that NLC supports reinstating the tax exemption on advance~~
41 ~~refunding bonds that allows cities to respond to market fluctuations, achieve lower interest rates,~~
42 ~~responsibly save local taxpayer dollars and free up capital to make additional infrastructure~~
43 ~~improvements; and~~

44
45 **BE IT FURTHER RESOLVED** that NLC supports efforts to reduce the cost and redundant
46 burdens of issuance and administration by eliminating redundant rules on arbitrage and private use;
47 and
48

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1 **BE IT FURTHER RESOLVED** that NLC supports Congress and the Administration providing
2 ~~greater~~ certainty to municipal issuers of tax credit and other federally subsidized bonds by exempting
3 subsidies from sequestration rules.

1 **NLC RESOLUTION #4**

2
3 **~~IN SUPPORT OF CRITICAL U.S. CENSUS BUREAU SURVEYS AND THE~~**
4 **~~2020 DECENNIAL CENSUS~~**
5

6 ~~WHEREAS, the U.S. Census Bureau serves as the leading source of quality data about the~~
7 ~~nation's people and economy; and~~
8

9 ~~WHEREAS, the U.S. Census Bureau is authorized by the U.S. Constitution and Federal law to~~
10 ~~collect and disseminate data guided by scientific objectivity to provide information about the~~
11 ~~nation and its people; and~~
12

13 ~~WHEREAS, the U.S. Census Bureau conducts the decennial census to fulfill the constitutionally~~
14 ~~mandated enumeration of all persons living in the United States once a decade; and~~
15

16 ~~WHEREAS, the U.S. Census Bureau conducts a host of other related surveys to collect and~~
17 ~~distribute data to policy makers at all levels of government, including but not limited to the~~
18 ~~American Community Survey (ACS), Economic Census, and Census of Governments; and~~
19

20 ~~WHEREAS, the data collected through the decennial census and related surveys are the basis~~
21 ~~for defining federal, state and local political districts; determining how more than \$800 billion of~~
22 ~~federal funding is distributed and allocated across state and local governments; and informing~~
23 ~~much of our research, planning and decision-making processes; and~~
24

25 ~~WHEREAS, the 2020 decennial census will encourage and prioritize online submission for~~
26 ~~approximately 80 percent of American households; and~~
27

28 ~~WHEREAS, Title 13 of the United States Code requires the Census Bureau to keep personally~~
29 ~~identifiable information strictly confidential and ensure only necessary information is being~~
30 ~~collected.~~
31

32 ~~NOW, THEREFORE BE IT RESOLVED~~ that the National League of Cities (NLC) supports
33 the U.S. Census Bureau's mission to produce complete and accurate data that meets the needs of
34 America's cities; and
35

36 ~~BE IT FURTHER RESOLVED~~ that NLC supports the U.S. Census Bureau's use of sound
37 scientific and objective methods to apply statistical samplings, conduct surveys, and collect
38 preliminary and supplemental statistics; and
39

40 ~~BE IT FURTHER RESOLVED~~ that NLC supports the U.S. Census Bureau's authority to
41 collect data that provides timely estimates to inform America's local governments in their
42 decision-making; and
43

44 ~~BE IT FURTHER RESOLVED~~ that NLC recognizes the importance and necessity of the
45 decennial census, American Community Survey, Economic Census, Census of Governments,
46 Annual Population Estimates, and other related surveys and statistics to local governments across
47 the nation; and

1 ~~BE IT FURTHER RESOLVED~~ that NLC supports funding for and robust implementation of
2 the decennial census and related surveys; and

3
4 ~~BE IT FURTHER RESOLVED~~ that NLC opposes the addition of a citizenship question and
5 other untested questions to the census, which are projected to depress self-reporting rates and
6 lower the quality of data, to the decennial questionnaire; and

7
8 ~~BE IT FURTHER RESOLVED~~ that NLC opposes legislation that would make the
9 American Community Survey a voluntary survey, as well as any other bills that would
10 eliminate the American Community Survey, Economic Census, Census of Governments,
11 Annual Population Estimates, and other related surveys and statistics relevant to local
12 governments across the nation; and

13
14 ~~BE IT FURTHER RESOLVED~~ that NLC urges Congress, the administration, the U.S.
15 Census Bureau and other federal agencies to ensure that personally identifiable information
16 produced through the decennial census and related surveys will only be handled in
17 compliance with Title 13 statutes; and

18
19 ~~BE IT FURTHER RESOLVED~~ that NLC urges the U.S. Census Bureau and Department of
20 Commerce to address the continuing challenges many of our communities face as a result of the
21 digital divide when planning and executing the decennial census and related surveys.

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NLC RESOLUTION #5

~~OPPOSITION TO A “BALANCED BUDGET AMENDMENT” TO THE U.S. CONSTITUTION~~

~~WHEREAS, the National League of Cities (NLC) continues to support legislative efforts to exercise fiscal responsibility and to better balance federal revenues with expenditures; and~~

~~WHEREAS, a national effort is underway to pass state resolutions calling for a constitutional convention to include a Balanced Budget Amendment to the U.S. Constitution; and~~

~~WHEREAS, such an amendment would constitutionally bar the federal government from deficit spending, even when such action is beneficial or even necessary during times of economic slowdown, war or natural disaster, or other unforeseen circumstances; and~~

~~WHEREAS, such an amendment would inhibit the certainty and ability of federal entitlement and insurance programs to spend down trust funds to sustain critical benefits that our residents rely upon; and~~

~~WHEREAS, such an amendment would increase the likelihood of the United States defaulting on its debt obligations and risk a downgrade of the federal government’s creditworthiness; and~~

~~WHEREAS, such an amendment would greatly impair the role of the federal government in stabilizing economic cycles, and in limiting the duration and frequency of economic downturns; and~~

~~WHEREAS, there are numerous less restrictive and consequential ways in which the federal government can maintain a healthy balance of revenues to expenditures;~~

~~NOW, THEREFORE, BE IT RESOLVED~~ that the National League of Cities (NLC) opposes the addition of a Balanced Budget Amendment to the U.S. Constitution; and

~~BE IT FURTHER RESOLVED~~ that NLC supports more economically viable efforts to better balance federal revenues with expenditures; and

~~BE IT FURTHER RESOLVED~~ that Congress and the Administration should work together to find bipartisan solutions that put the U.S. on a long-term trajectory to safe and sound fiscal conditions and sustained economic vitality.

NLC RESOLUTION #6

CALLING FOR THE RESTORATION OF THE TAX-EXEMPTION ON ADVANCE REFUNDING BONDS

WHEREAS, prior to January 1, 2018, municipal governments could issue tax exempt securities know as advance refunding bonds; and

WHEREAS, Advance refundings represented 27% of municipal bond market activity in 2016 and 19% in 2017; and

WHEREAS, such single use bonds allowed municipalities to refinance outstanding debt and achieve interest rate reductions prior to the original bond’s call date; and

WHEREAS, lower borrowing costs allowed issuers to save at least \$12 billion of local tax dollars per year in debt servicing costs and free up capital to invest in additional infrastructure improvements, better balance budgets and lower local tax rates; and

WHEREAS, advance refunding bonds provided municipalities with a tool to better-weather recessions by allowing them to reduce otherwise fixed costs as tax receipts fall; and

WHEREAS, the Tax Cuts and Jobs Act of 2017 eliminated the ability of municipalities to issue single use tax exempt advance refunding bonds;

WHEREAS, In the 116th Congress (the prior Congress) bills to reinstate tax-exempt advanced refunding was introduced in both chambers of Congress, as well as incorporated into H.R. 2, Moving Forward Act. Legislation to reinstate tax-exempt advanced refundings was again introduced in the 117th Congress (the current Congress).

NOW, THEREFORE, BE IT RESOLVED that the National League of Cities supports the full reinstatement of the tax exemption for advance refunding bonds or a substantial equivalent; ~~and~~

~~BE IT FURTHER RESOLVED that Congress and the Administration should not alter the tax exemption on municipal securities that remains critical to the fiscal health and proper functioning of our communities.~~

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1 NLC RESOLUTION #8

2
3 IN SUPPORT OF FEDERAL ACTION ON THE COVID-19 CRISIS

4
5 ~~WHEREAS, the ongoing COVID-19 pandemic presents an unprecedented threat to the~~
6 ~~wellbeing of America's cities, towns and villages; and~~

7
8 ~~WHEREAS, the COVID-19 pandemic and resulting economic fallout is overwhelming the~~
9 ~~social safety net, public safety, health and medical infrastructure, education facilities, public~~
10 ~~institutions, and businesses of American cities, towns and villages; and~~

11
12 ~~WHEREAS, on March 13, 2020, President Trump proclaimed that the COVID-19 outbreak in~~
13 ~~the United States constitutes a national emergency; and~~

14
15 ~~WHEREAS, businesses and schools have closed to limit transmission and transitioned to~~
16 ~~mandatory remote work or online learning, despite the large numbers of residents who lack~~
17 ~~access to adequate broadband at home or cannot afford a subscription; and~~

18
19 ~~WHEREAS, countless community events have been cancelled and local governments are~~
20 ~~conducting meetings and business online in order to adhere to social distancing protocols as~~
21 ~~established by the Administration; and~~

22
23 ~~WHEREAS, local governments are on the frontlines of our nation's public health emergency~~
24 ~~response and overall public safety efforts and need strong federal, state and local~~
25 ~~intergovernmental collaboration to address this crisis; and~~

26
27 ~~WHEREAS, the National League of Cities (NLC) undertook the Cities Are Essential campaign~~
28 ~~aimed at making federal emergency aid available to all 19,000 cities, towns, and villages and~~
29 ~~continues to fight hard on this front; and~~

30
31 ~~WHEREAS, cities, towns and villages are experiencing unanticipated expenses due to the~~
32 ~~COVID-19 crisis as well as declining local revenue streams as the economy slows; and~~

33
34 ~~WHEREAS, a survey by the NLC of elected officials and city/town manager from cities, towns~~
35 ~~and villages from across the country found that local governments are taking a variety of actions~~
36 ~~to address the public health crisis and keep vulnerable populations safe, such as closing facilities~~
37 ~~and banning large gatherings, halting utility shutoffs and funding food delivery programs, like~~
38 ~~school meal replacement; and~~

1 ~~WHEREAS, based on results of a similar survey conducted by the International City/County~~
2 ~~Management Association and the Government Finance Officers Association, it is estimated that~~
3 ~~60% of local governments anticipate spending up to \$500,000 in the next six months on COVID-~~
4 ~~19-related expenses.~~

5
6 ~~NOW, THEREFORE, BE IT RESOLVED~~ that NLC calls on Congress and the Administration
7 to take immediate, direct action to support pandemic response and recovery at the local level;
8 and

9
10 ~~BE IT FURTHER RESOLVED~~ that NLC calls on the federal government to develop and
11 coordinate a comprehensive containment strategy that involves commitments of federal funding,
12 supplies, equipment, training, expertise, personnel, countermeasures, and public health measures;
13 and

14
15 ~~BE IT FURTHER RESOLVED~~ that NLC urges Congress to enact a stabilization fund for local
16 government operations and services that makes emergency aid available to every unit of local
17 government, including cities, counties and states; and that minimizes any new administrative
18 burdens on state governments by providing uniform suballocation requirements for every state to
19 clearly and efficiently transfer funding to all localities that do not meet requirements for direct
20 federal aid, within 20 days for rapid response and on the ground programming; and

21
22 ~~BE IT FURTHER RESOLVED~~ that NLC calls on Congress to provide substantial emergency
23 supplemental appropriations to local governments for the purpose of stabilizing residents,
24 households, and small businesses that have lost income and opportunity as a result of public
25 measures to contain COVID-19, through existing programs including, but not limited to, the
26 Community Development Block Grant (CDBG), the Surface Transportation Block Grant, the
27 Social Services Block Grant, and the Community Services Block Grant; and

28
29 ~~BE IT FURTHER RESOLVED~~ that Congress should reduce burdensome reporting
30 requirements and suspend the 15% public services cap on emergency supplemental funding for
31 CDBG, which will allow for maximum flexibility in the use of the funds to assist vulnerable
32 residents with critical social services (i.e., health services, food pantries, senior meals programs)
33 and short term rental assistance to help stave off evictions and assist people impacted by the
34 massive slowdown occurring in local economies; and

35
36 ~~BE IT FURTHER RESOLVED~~ that Congress should support additional policies and programs
37 that will provide local governments assistance, stimulate the economy and provide relief to
38 residents and businesses, including but not limited to:

- 39 ~~• funding for homelessness assistance, emergency rent relief, and other housing assistance~~
40 ~~funds to prevent housing instability and homelessness;~~
- 41 ~~• supporting critical infrastructure services that depend on fares, including transit service~~
42 ~~and airports, which are essential to economic recovery; expanding access to the lifeline~~
43 ~~program for low income residents to subscribe to broadband at home;~~
- 44 ~~• deploying emergency rapid response funding to schools and libraries to distribute~~
45 ~~wireless hotspots for residents without in home broadband;~~
- 46 ~~• providing a mix of grants and loans for economic development assistance;~~

- 1 ~~restoring tools for efficient use of government resources such as the advanced refunding~~
- 2 ~~tax exempt bonds;~~
- 3 ~~expanding tax supports for individuals and families including the Earned Income Tax~~
- 4 ~~Credit and the Child Tax Credit;~~
- 5 ~~ensuring the Federal Emergency Management Agency has enough resources to provide~~
- 6 ~~long term technical, financial and procurement assistance to local governments to~~
- 7 ~~manage response and recovery efforts; and~~
- 8 ~~supporting local law enforcement, fire and emergency medical services.~~

9
10 ~~**BE IT FURTHER RESOLVED** that NLC urges Congress to include a provision in law that~~

11 ~~provides tax credits to local governments for providing mandated paid sick and paid emergency~~

12 ~~family leave under the Families First Coronavirus Response Act; and~~

13
14 ~~**BE IT FURTHER RESOLVED** that NLC urges the Congress to adopt the 2020 Census~~

15 ~~Deadline Extensions Act, a bipartisan, bicameral piece of legislation that would extend the~~

16 ~~apportionment data from December 31, 2020 to April 30, 2021 and extend the statutory delivery~~

17 ~~of redistricting data to the states from March 31, 2021 to July 31, 2021; and~~

18
19 ~~**BE IT FURTHER RESOLVED** that NLC urges the Administration to extend agency comment~~

20 ~~periods and suspend federal shot clocks for a reasonable period of time to allow state and local~~

21 ~~leaders to focus on addressing the nation's immediate pandemic response needs and ensure their~~

22 ~~ability to devote proper consideration of agency regulations; and~~

23
24 ~~**BE IT FURTHER RESOLVED** that NLC urges the federal government to respect local~~

25 ~~governance and local democracy during this unprecedented time; and~~

26
27 ~~**BE IT FURTHER RESOLVED** that NLC urges Congress and the Administration to oppose~~

28 ~~measures that create new unfunded mandates on local governments, or those that preempt local~~

29 ~~authority.~~

1 **NLC RESOLUTION #9**

2
3 **REFORMING AND UPDATING OPPORTUNITY ZONES**
4 **TO IMPROVE ACCESS FOR RESIDENTS AND INVESTORS TO TAKE PART**

5
6 ~~WHEREAS, Opportunity Zone legislation was part of the Tax Cuts and Jobs Act of 2017~~
7 ~~("TCJA"); and~~

8
9 ~~WHEREAS, Opportunity Zones are designed to provide equity investments in low-income~~
10 ~~communities nationwide; and~~

11
12 ~~WHEREAS, the underlying incentive for Opportunity Zones is the tax treatment of capital~~
13 ~~gains; and~~

14
15 ~~WHEREAS, Opportunity Funds invest in Opportunity Zone businesses; and~~

16
17 ~~WHEREAS, residents and investors in Opportunity Zones might not have access to personal~~
18 ~~capital gains or capital gains from a Fund needed to start a business in an Opportunity Zone~~
19 ~~community.~~

20
21 ~~NOW, THEREFORE, BE IT RESOLVED~~ that NLC will work with Congress to help those
22 who lack capital gains and those who cannot access capital through an existing Opportunity Zone
23 Fund to use alternative mechanisms to allow businesses to qualify as an Opportunity Zone
24 Business; and

25
26 ~~BE IT FURTHER RESOLVED~~ that NLC will work with Congress to eliminate specific high-
27 income census tracts that do not meet the spirit of the incentive and replace them with tracts
28 more deserving of the designation; and

29
30 ~~BE IT FURTHER RESOLVED~~ NLC will advocate for providing support to communities for
31 capacity building and technical assistance that enhance a community's ability to leverage the
32 Opportunity Zones incentive to meet their economic development goals.

1 NLC RESOLUTION #12

2
3 SUPPORT FOR REFORMING THE EARNED INCOME TAX CREDIT FOR
4 CHILDLESS WORKERS
5

6 WHEREAS, the Earned Income Tax Credit (EITC) is a refundable credit to eligible workers.
7 Even if a worker does not owe any federal tax, the worker may benefit from it; and
8

9 WHEREAS, the EITC is the nation's largest cash antipoverty program, with a tax year 2016
10 (returns filed in 2017) total of \$66.7 billion claimed on 27.4 million tax returns. Most of the
11 claimed EITC dollars—\$64.7 billion, or 97% of total EITC dollars-were for taxpayers with
12 children compared to \$2.1 billion in claimed EITC for taxpayers with no qualifying children; and
13

14 WHEREAS, the EITC is so small for childless workers, it effectively does not lift them out of
15 poverty. ~~because~~ ~~the~~ EITC for this group is much ~~too~~ ~~so~~ small (and for some, isn't available at
16 all) ~~that~~ ~~it does not~~ offset the income taxes and employee share of payroll taxes that they must
17 pay; and
18

19 WHEREAS, this affects 5 million childless adults aged 21 through 66; and

20 WHEREAS, the maximum credit in 2018 is more than 10 times as much for a taxpayer with a
21 child than a childless taxpayer; and

22 WHEREAS, recipients without children must be at least 25 years old – there are no age
23 restrictions for parents.

24 WHEREAS, prior to 2021, the maximum amount that a childless taxpayer could receive though
25 the EITC was \$538; and

26 WHEREAS, as part of the American Rescue Plan, a childless taxpayer will be able to receive
27 just more than \$1,500 from the EITC; and

28 ~~WHEREAS, this affects 5 million childless adults aged 21 through 66; and~~

29 ~~WHEREAS, the maximum credit in 2018 is \$519 for a childless worker. In contrast, workers~~
30 ~~with two children can get a maximum credit of \$5,716—more than 10 times as much; and~~

31 ~~WHEREAS, the credit starts to phase out for single workers with no children at home once they~~
32 ~~make \$8,490 (and is fully phased out once they make \$15,270). Single workers with two children~~
33 ~~start seeing their credit phase out once earnings reach \$18,660 and continue to receive some~~
34 ~~amount of the credit as long as their income is below \$45,802. Married couples start seeing their~~
35 ~~credit phase out once they make \$24,350 and remain eligible for at least some EITC until their~~
36 ~~incomes reach \$51,492; and~~

37 ~~WHEREAS, recipients without children must be at least 25 years old—there are no age~~
38 ~~restrictions for parents.~~

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1 **NOW, THEREFORE, BE IT RESOLVED**, that NLC will support Congress making the EITC
| 2 for childless workers ~~more robust~~ permanent as a way to help reduce poverty in cities.

1
2
3 **NLC RESOLUTION #17**

4 **ENHANCING PROTECTIONS FOR SMALL BUSINESSES THAT UTILIZED PPP**
5 **LOANS**

6 ~~WHEREAS, the Paycheck Protection Program (“PPP”) is a loan designed to provide a direct~~
7 ~~incentive for small businesses to keep their workers on the payroll; and~~

8
9 ~~WHEREAS, the Small Business Administration (“SBA”) will forgive loans if all employee~~
10 ~~retention criteria are met, and the funds are used for eligible expenses; and~~

11
12 ~~WHEREAS, a force reduction of full time employees (“FTE”) of 50 percent from the test~~
13 ~~period February 15—December 31, 2019 or January 1, 2020—February 29, 2020—when~~
14 ~~compared against the period of the loan, would mean the business who applied for the loan~~
15 ~~would only have 50 percent of their loan forgiven; and~~

16
17 ~~WHEREAS, to illustrate the previous clause, small business XYZ has a loan amount of~~
18 ~~\$100,000. The loan period is 8 weeks (April 6—June 1, 2020). XYZ had 20 employees during the~~
19 ~~pre-COVID testing period (February 15—December 31, 2019). XYZ has 10 employees during~~
20 ~~the loan period. The reduction in forgiveness computation is as follows: \$100,000 - (\$100,000 x~~
21 ~~(10/20) = \$50,000. Thus, the loan forgiveness is \$50,000; and~~

22
23 ~~WHEREAS, the PPP program’s rules state if an employer makes a “good faith” effort to rehire~~
24 ~~an employee and the employee declines, the employee will not count against the number of~~
25 ~~employees during the loan period.~~

26
27 ~~NOW, THEREFORE, BE IT RESOLVED~~ that for businesses with 500 employees or less, a
28 ~~“good faith” effort mean as providing documentation of any kind to reflect an offer to return to~~
29 ~~work was extended to an existing employee prior to local or state mandates; and~~

30
31 ~~BE IT FURTHER RESOLVED~~ that for businesses with 100 employees or less, the threshold
32 ~~for receiving full forgiveness of the loan amount as it relates to maintaining employees should~~
33 ~~not be 100 percent employee retention, rather the threshold should be set at 75 percent.~~

1 NLC RESOLUTION #18

2 SUPPORT FOR THE JOHN LEWIS VOTING RIGHTS ACT

3
4
5 WHEREAS, voting is fundamental to democracy in the United States' form of government; and

6
7 WHEREAS, the Voting Rights Act of 1965 was passed to ensure that ~~has provided~~ millions of
8 Black, Latinx, Asian American and Native American citizens, who were previously denied suffrage,
9 with a more equitable opportunity to cast a ballot have an equal opportunity to cast their ballot; and

10
11 WHEREAS, in the 2013, Shelby County v. Holder decision, the United States Supreme Court
12 upheld Section 5 of the Voting Rights Act, requiring jurisdictions with a history of discrimination to
13 submit any proposed changes in voting procedures to the U.S. Department of Justice or a federal
14 district court in Washington, D.C. to ensure the change would not harm minority voters (known as
15 "preclearance"); and

16
17 WHEREAS, ~~the~~ in the Shelby County v. Holder decision, the United States Supreme Court ~~of the~~
18 United States struck down Section 4(b) of the Voting Rights Act of 1965, which contained ~~a~~ the
19 coverage formula used to determine ~~ing~~ which jurisdictions ~~are~~ were covered by Section 5 of the Act;
20 and

21
22 WHEREAS, until Congress passes legislation establishing a new coverage formula, Section 5 of the
23 Voting Rights Act of 1965 is ~~rendered~~ practically defunct ~~inoperable~~ until Congress ~~enacts a new~~
24 coverage formula; and

25
26 WHEREAS, following the 2013 Shelby County v. Holder decision, several states enacted new
27 voting restrictions that, prior to the 2013 decision, would ~~otherwise~~ have been subject to preclearance
28 under Section 5 of the Voting Rights Act of 1965; and

29
30 WHEREAS, the United States House of Representatives ~~of the United States,~~ in a report entitled
31 "Voting Rights and Election Administration in the United States of America" concluded that
32 "without federal protections, new and old barriers to voting have emerged" that "disproportionately
33 impact minority voters"; and

34
35 WHEREAS, the John Lewis Voting Rights Advancement Act creates a new coverage formula that
36 applies to all states; and

37
38 WHEREAS, the John Lewis Voting Rights Advancement Act establishes a targeted process for
39 reviewing voting changes in jurisdictions nationwide, ~~focused on~~ that utilize measures that have
40 historically been used to ~~discriminate against~~ disenfranchise minority voters; and

41
42 WHEREAS, the National League of Cities is opposed to any federal laws that ~~disenfranchise~~
43 restricts ~~individuals~~ American citizens from exercising their most fundamental constitutional right to
44 vote.

45
46 NOW, THEREFORE, BE IT RESOLVED that the National League of Cities supports the John
47 Lewis Voting Rights Advancement Act and urges its enactment into law.

1 NLC RESOLUTION #19

2
3 SUPPORT FOR VOTING RIGHTS AND PROCEDURES

4
5 WHEREAS, voting is fundamental to democracy in the United States' form of government; and

6
7 WHEREAS, NLC is opposed to any federal laws that disenfranchise individuals from exercising
8 their most fundamental constitutional right to vote; and

9
10 WHEREAS, voting is a constitutionally protected right.

11 WHEREAS, Existing law requires that an election for congressional and state elective offices be
12 held on the first Tuesday after the first Monday in November of each even-numbered year.
13 Existing law requires a presidential general election to be held on the first Tuesday after the first
14 Monday in November in any year that is evenly divisible by the number 4.

15 WHEREAS, Existing law designates specific days as holidays in this state. Existing law
16 designates holidays on which community colleges and public schools are required to close.
17 Existing law entitles state employees, with specified exceptions, to be given time off with pay for
18 specified holidays. Existing law designates optional bank holidays.

19 WHEREAS, This bill would add the day on which a statewide general election is held, which is
20 the first Tuesday after the first Monday in November of any even-numbered year, to these lists of
21 holidays. The bill would require community colleges and public schools to close on any day on
22 which a statewide general election is held. The bill would require that state and federal
23 employees, with specified exceptions, be given time off with pay for days on which a statewide
24 general election is held. The bill would provide that the third Monday in February, also known as
25 Washington Day, is observed only in odd-numbered years.

26
27 **NOW, THEREFORE, BE IT RESOLVED** that the National League of Cities calls upon the
28 United States Congress to declare Election Day a national holiday; and

29
30 **BE IT FURTHER RESOLVED** that the National League of Cities shall advocate for the fourth
31 Tuesday of September as National Voter Registration Day; and

32
33 **BE IT FURTHER RESOLVED** that the National League of Cities calls upon the United States
34 Congress to pass legislation establishing a minimum period for early voting in elections for
35 Federal office.

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