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July 30, 2021

The Honorable Charles E. Schumer  
Majority Leader  
United States Senate  
Washington, DC 20510

The Honorable Nancy Pelosi  
Speaker  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Mitch McConnell  
Republican Leader  
United States Senate  
Washington, DC 20510

The Honorable Kevin McCarthy  
Republican Leader  
U.S. House of Representatives  
Washington, DC 20515

Majority Leader Schumer, Speaker Pelosi, Republican Leader McConnell and Republican Leader McCarthy:

On behalf of the National League of Cities (NLC) and America's 19,000 cities, towns and villages, we write to share a comprehensive view of local government priorities for the budget package being advanced. As the Senate and House continue debate on the bipartisan infrastructure framework—the Infrastructure Investment and Jobs Act—local elected officials urge you to include funding for programs that will support local transportation, water, energy, resilience and broadband projects, ensure a skilled workforce to meet the needs of our country, and address critical issues impacting America's families.

We encourage your consideration of the following programs, policies and guidance, and request your leadership to ensure successful passage of this legislation.

### **Build Sustainable and Resilient Infrastructure**

America's transportation demands are the single largest infrastructure need in the United States. Traditional federal programs are not reaching the needs of the full system adequately today, and modernization would greatly improve the rides Americans take while decreasing externalities like congestion, emissions and crashes. NLC supports stronger transportation funding levels for publicly owned infrastructure with an emphasis on modern transportation that meets our needs as a country.

- **Invest in the full transportation network by increasing the Surface Transportation Block Grant (STBG) substantially** – STBG would allow for greater flexible state and local investment across the transportation system because STBG can be used for highways, bridges, transit, ferries, transportation technology and even truck parking. Not all road programs are able to meet the different needs across the country's diverse communities; for example, the Highway Performance Program is limited to only investing on 24% of the nation's roads.
- **Bring new road safety programs forward** - The U.S. is seeing an unfortunate increase in road and pedestrian fatalities which are preventable with safety upgrades to infrastructure, smart signal upgrades and tactical education. However, no specific safety community infrastructure funds are provided to local governments from Congress, and the deaths of our residents demands an appropriate response from

Congress. NLC asks for a designated program to address safety and road deaths in communities of all sizes.

- **Increase the pace of separating roads and rails by increasing the Railway-Highway Crossings (Section 130) Program** – America’s growth has led to congestion points where rail and roads overlap in small and large places alike, but the cost to deconflict them with overpasses or underpasses is steep even for large communities. NLC asks for targeted increases to deconflict roads and rails and keep everyone moving.
- **Amplify the innovation in transit and mobility innovation with increases** – The most innovative area of transportation right now is transit where venture capital fueled start-ups continue to show what is feasible with more investment and collaboration. Seamless mobility options could be at Americans doorstep with increased transit and mobility innovation funding. NLC asks that Congress increase transit funding and ramp up programs like the Mobility on Demand Sandbox and Advanced Transportation & Congestion Management Technologies Deployment.
- **Build up the Community Based EV Charging Program** - As the owners and stakeholders in transit, airports and ports, NLC is supportive of investing in electric technology that improves outcomes, but this will require new infrastructure buildout in communities and grid reliability investments to truly make it viable.

### **Invest in Water Infrastructure**

To meet the nation’s growing water infrastructure needs, address the impacts of climate change on our water resources and to ensure equity and affordability for low- and fixed-income ratepayers, the federal government should recommit to being a significant partner with local governments by providing financing, funding and flexibility to improve the nation’s drinking water, wastewater and stormwater infrastructure. NLC supports the bipartisan Drinking Water and Wastewater Infrastructure Act (S. 914) and the Water Quality Protection and Job Creation Act (H.R. 1915) and urges Congress to ensure that these programs are funded through the reconciliation package. **Financing programs such as the Clean Water and Drinking Water State Revolving Funds and WIFIA** provide critical support for water infrastructure projects. Many communities, however, cannot afford additional loans, and so **providing funding to local governments in the form of grants for drinking water, wastewater and stormwater management and programs that support resilience, innovative technologies, workforce development and watershed/source water protection**, among others is essential.

### **Advance Climate Change Mitigation, Adaptation and Community Resilience**

Cities across the country are seeing the effects of climate change and are taking action to mitigate the impacts of extreme weather events on their residents and businesses. With heat waves, droughts, wildfires, increased precipitation, more frequent and severe floods and hurricanes, communities need to be able to anticipate, prepare for and adapt to these events. Extreme weather can cost local, state and federal governments trillions of dollars and severely impact local and regional infrastructure, the economy, public safety, public health, natural landscapes, environmental quality and national security.

Local leaders are taking action on climate change because local governments are first responders on the front lines of delivering services and protecting residents. Local elected officials are entrusted with the stewardship of taxpayer dollars and know that the cost of prevention pales in comparison to the cost of inaction — in terms of dollars, property and human life. Moreover, improving energy efficiency and investing in renewable energy makes good economic sense for residents, businesses and communities. While cities are prepared to forge ahead on these initiatives and actions, we urge the federal government to be a partner in these efforts in

support of our economy and to build resilient communities. NLC calls on Congress and the Administration to **take urgent action to reduce greenhouse gas emissions across a broad sector of the economy and become carbon neutral to mitigate the effects of climate change and hold warming to 1.5°C.**

- Reauthorize and expand the **Energy Efficiency and Conservation Block Grant** (H.R. 425 - \$3.5 billion annually through FY26) to help local governments promote energy efficiency and advance renewable energy projects, thereby increasing energy independence and reducing greenhouse gas emissions.
- Pass a **national renewable portfolio standard (clean energy standard)** that increases the use of carbon neutral energy and promotes energy efficiency, with the goal of 50 percent carbon neutral energy by 2030 and 100 percent by 2050.
- Create a **Civilian Climate Corps** (H.R. 2241/S. 1057) and a **21<sup>st</sup> Century Conservation Corps** (H.R. 1162/S. 487) to help communities tackle the climate crisis by training and providing jobs for young people, veterans and others in clean energy, sustainable/resilient infrastructure, conservation, resource management and the outdoor recreation economy.
- Invest in green/natural infrastructure, parks and outdoor recreation opportunities, particularly in disadvantaged communities, through the **Outdoor Recreation Legacy Partnership program**. NLC supports the Parks, Jobs and Equity Act (H.R. 1678/S. 2258 – \$500 million one-time investment) and the Outdoors For Act to codify the program and provide dedicated funding. Parks, natural areas and green infrastructure serve as an economic development tool and provide a multitude of community benefits, including stormwater management, extending the life of local infrastructure, heat island mitigation, saving cities and taxpayers money, positive impacts on public health, and community resilience and well-being.
- Increase funding for programs to reduce the risks from disasters and natural hazards through pre-disaster mitigation, such as the **FEMA Building Resilient Infrastructure and Communities (BRIC)** program and the recently enacted **STORM Act**.
- Promote and support improvements to the electrical grid, including capabilities and incentives for smart metering, support for large scale distributed generation, and construction of long-distance renewable energy transmission capabilities. NLC supports the **MICROGRID Act** (H.R. 2482) to incentivize the buildout and deployment of microgrids, which can provide backup power during emergencies to help address the harm blackouts, grid outages and public safety power shutoffs have on local communities due to increased extreme weather events.

### **Promote Digital Equity**

While the nation’s digital divide has existed for years, the impacts of the COVID-19 pandemic brought the urgency of ensuring all residents have connectivity to the fore. Local leaders have worked creatively with businesses, nonprofits, and their residents to expand community access to reliable, affordable broadband connections and the devices needed to fully participate in work, school, and civic life. While emergency measures passed in response to the COVID-19 pandemic are a crucial down payment on efforts to close the digital divide, further investment and federal-local partnership are needed. NLC urges Congress and the Administration to help cities, towns and villages expand digital equity by fully funding much-needed broadband infrastructure and affordability programs and empowering broadband leadership at the local level.

Congress should remove legal **barriers to local broadband leadership**, especially state and federal limitations on locally-owned broadband networks, local oversight and management of rights-of-way, and local negotiation of telecommunications franchises, which serve as a crucial tool for consumer protection and communications

infrastructure investment. NLC has supported legislative language to do this in bills such as the **Community Broadband Act (H.R. 1631/S. 1460)** and the **Accessible, Affordable Internet for All Act (H.R. 1783/S. 745)**. Congress should also invest in grant and financing programs that directly reach local governments and their project partners, both for broadband infrastructure development and for digital inclusion programs to assist in connecting households to broadband subscriptions and internet-enabled devices.

### **Ensure a Skilled Workforce**

The COVID-19 global health crisis has had a negative impact on workers, especially those without an education past high school, workers of color, and women. Workers with a high school degree or less have been displaced at nearly three times the rate as those with a bachelor's and minority workers, particularly women of color, have shouldered the greatest job losses due to their concentration in low-wage service industries that have been hardest hit by the economic downturn. The United States invests less than all other developed countries, except Mexico, in workforce development and over the past two decades has cut investments by 40 percent. This level of investment does not support local workforce development at the amounts necessary to ensure communities across the country can prepare workers to return to a post-COVID economy or for the impact of automation, technology and AI on the workplace. During these unprecedented times, it is evident that workers need skills to access the employment opportunities that exist or will be created as the economy rebounds.

NLC urges Congress and the Administration to think beyond job creation and invest significantly in ensuring that residents in our communities have access to the training and supports that will allow them to meet the increasing changes in business need.

- Invest at least \$15 billion in our nation's workforce development system, as proposed by the bipartisan **H.R. 6646/S. 3659 - Relaunching America's Workforce Act (RAWA)**, as a supplemental measure to ensure that our nation's workforce development system can respond to the increased demands associated with COVID-19.
- **Ensure workforce training funding is connected to infrastructure investments, as proposed in H.R. 2459/S. 1078 – Building U.S. Infrastructure by Leveraging Skills (BUILDS) Act**, to ensure that our nation's roads, bridges, water systems and broadband networks can be repaired and upgraded to meet the future needs of our nation's communities. The investment in training must be significant and match the need.
- **Support local control, flexibility and innovation by removing all federal regulatory barriers** that inhibit a flexible workforce response including better connecting the Unemployment Insurance and WIOA systems, flexibility with funding to address layoff aversion and wrap-around supports for individuals including transportation and childcare.

### **Housing**

Housing stability is a prerequisite for economic mobility, job security, and health and well-being. And yet in no state, metropolitan area or county in the U.S. can a worker earning the federal or prevailing state or local minimum wage afford a two-bedroom rental home at fair market rent by working a standard 40-hour work week. The nation's economic recovery, and the impact of the infrastructure package, will be hindered by the national shortage of housing for low to moderate income families and other residents. To maximize and build upon investments in infrastructure and the workforce, the reconciliation package should include new federal investments in housing, such as those proposed in the House Financial Services Committee including the

## **Housing is Infrastructure Act of 2021, the Ending Homelessness Act of 2021, and the Downpayment Toward Equity Act of 2021.**

### **Financing**

A core tenet of the U.S. federal tax code from 1913 to 2017 is that state and local taxes would be excluded from the federal tax base for taxpayers. However, in 2017 with the passage of the Tax Cuts and Jobs Act, Congress capped the amount that a taxpayer could deduct in state and local taxes at up to \$10,000. In states with higher local taxes, this cap increased the burden on taxpayers. Cities are being asked to do more, from policing to climate mitigation. To pay for these efforts, cities will have a choice, increase taxes, further burdening residents, or impose user fees and fines, which can be regressive. NLC supports the **SALT Deductibility Act**, a bipartisan bill that would restore the deductibility of state and local taxes and provide flexibility to communities nationwide to help fund key programs in their communities without new taxes or fines and fees.

### **Provide Legislative Solution for DACA Recipients**

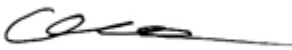
Cities have advocated for fixing our nation's broken immigration system for many years. For too long the badly performing system has placed numerous financial and social strains on our local communities and created obstacles to helping immigrants fully contribute economically, as well as culturally, to our nation. While enacting comprehensive immigration reform is a significant task, we hope that Congress can take immediate action on providing a permanent legislative solution for DACA recipients.

### **Address National Childcare Crisis**

Through the COVID-19 pandemic, we have come face to face with the importance of access to childcare for children birth to age 5 in our nation's communities. Not only do families need access to childcare to return to the workforce, but we know that access to high-quality childcare leads to positive educational outcomes for children. As such, we call on Congress to address the issues of childcare access, affordability, and strength of the childcare workforce, to ensure that as our country continues to rebound from the pandemic that we are enabling and supporting parents, families and caregivers.

We look forward to working with you to expand the federal partnership with local governments through this significant process. If you have any questions about the NLC priorities, please do not hesitate to contact Irma Esparza Diggs, NLC Senior Executive and Director of Federal Advocacy, at 202-626-3176 or [diggs@nlc.org](mailto:diggs@nlc.org).

Sincerely,



Clarence E. Anthony  
CEO and Executive Director

CC: Members of the United States Senate  
Members of the United States House of Representatives