

**April 24, 2015**

**Federal Update:**

- I. Federal Transportation Funding in Jeopardy
- II. TIGER Grant Application Period Open
- III. Infrastructure Week Planning Begins
- IV. Federal Tax Reform Could Impact Local Funding
- V. Energy Efficiency Bill Heads to President
- VI. USDA Farmers Market Grants Available

Dear Mayor:

Here are some updates on important developments (or lack, thereof) in our Nation's Capital. We thank the leadership and the staff at the National League of Cities (NLC) for their advocacy and their timely communications.

**I. NLC Calls for Transportation Funding Certainty**

NLC joined the Environmental and Energy Study Institute and the American Public Transportation Association on "[Stand Up for Transportation Day](#)" for a Capitol Hill briefing about the looming expiration of the federal surface transportation bill, and the potential consequences for cities. [Mayor Emmett Jordan](#) of Greenbelt, Md., who serves on [NLC's Community and Economic Development Committee](#), represented NLC at the briefing and related the views of local elected officials on the importance of funding certainty for local transportation infrastructure projects. According to the U.S. Department of Transportation, the Federal Highway Trust Fund is expected to drop below a sustainable level sometime this spring, and Congress will have to find roughly \$18 billion in additional revenue to keep projects funded through the 2016 fiscal year. Without congressional action, transportation projects around the country could halt this summer.

[The Capitol Hill briefing was recorded and made available to everyone.](#) For further information on NLC's legislative advocacy on transportation, please visit [www.nlc.org/transportation](http://www.nlc.org/transportation).

**II. TIGER Grant Applications Opening for FY2015**

Municipalities can now begin the application process for FY2015 Transportation Investment Generating Economic Recovery (TIGER) grants. \$500 million is available for grants in the current round of TIGER.

TIGER grants allow cities and towns across the nation to leverage federal government seed money and pair it with local resources to transform their communities. Since the program's creation as part of the American Recovery and Reinvestment Act of 2009, over \$4.1 billion has been invested in road, rail, transit, and port projects.

Potential grant recipients must pre-apply for the current grant round by May 4, 2015 at 11:59PM EDT. The Grants.gov federal grant portal will begin accepting applications on May 5, and final applications are due no later than June 5 at 11:59PM EDT.

For more information, including informational webinars about applying for a TIGER grant this year, visit the [Department of Transportation's TIGER site](#).

### **III. NLC Gears up for Infrastructure Week**

Local leaders know that investment in infrastructure of all kinds - transportation, water, telecommunications, and more - is necessary to keep our economy moving forward and improve quality of life for our residents. Despite that need, the public funds for infrastructure are limited and face more threats every year. That's why NLC is part of this year's [Infrastructure Week](#), taking place in Washington, DC and around the nation May 11-15.

Stand up for infrastructure investment and learn more about the resources for your municipality by adding the below NLC activities to your Infrastructure Week calendar:

#### **Monday, May 11, 1:30-4:00 pm ET**

[Solving the Infrastructure Crisis Through Public-Private Partnerships](#): If you're near Washington, DC, join NLC for this primer on public-private partnerships (P3s), which will give you replicable examples of success.

#### **Tuesday, May 12**

Congressional Briefing: NLC and other state and local government associations will host a Congressional briefing focused on transportation funding. Check out our [Facebook page](#) for a recap!

#### **Wednesday, May 13, All Day**

Infrastructure Virtual Advocacy Day: As NLC leaders and our allies converge on Capitol Hill, join us from home to tell Congress to fix the transportation funding crisis. Sign up now to take part - you only need five minutes!

#### **Thursday, May 12, 2:00-3:00 pm ET**

Exploring Local Broadband Initiatives Webinar: We're offering a webinar free exclusively to our members, all about how city officials can leverage their position to increase broadband access.

#### **Friday, May 15, 2:00-3:15 pm ET**

[Innovative Approaches to Infrastructure Funding](#): Get solutions to fund transportation projects in this free webinar.

#### **IV. NLC Submits Tax Reform Recommendations to Senate Finance Committee**

NLC was recently invited by Senator Michael Bennett to serve on the Infrastructure, Community Development and Energy working group established by the Senate Finance Committee as it begins to examine the federal tax code. At the first meeting of the working group, NLC had the privilege of providing the perspective of local officials, re-emphasizing the importance of tax-exempt municipal bonds as the preeminent financial tool for building infrastructure.

Together with the National Association of Counties, the United States Conference of Mayors, and the Government Finance Officers Association, NLC submitted a comment letter to Chairman Orrin Hatch, Ranking Member Ron Wyden, and task force leaders Senator Dean Heller and Senator Bennett. NLC urged the Senate Finance Committee to be mindful of three specific areas as they began their work on tax reformation: (1) maintaining the federal tax exemption on municipal bonds to promote job creation and improve the nation's infrastructure; (2) ensuring that state and local governments retain the authority to set their own tax policy; and (3) opposing federal pre-emptions that would grant preferential tax treatment to certain industries and threaten the fiscal health of state and local governments.

NLC reminded the committee that, for more than a century, tax-exempt municipal bonds have been the primary tool for state and local governments to finance the public infrastructure that supports everyday life. These bonds are used to finance a multitude of projects, including schools, hospitals, bridges, water treatment facilities, libraries and many other public projects. Far from being a "loophole," the exemption is instead a fundamental component of the federal, state and local partnership and of public-private partnerships. More than two-thirds of all public infrastructure projects in the United States are financed by municipal bonds, allowing local governments to save approximately two percent on their borrowing costs. This translates to substantial savings for local taxpayers.

The letter closes by reminding the Senate Finance Committee that, when considering any changes to the federal tax code, it is important to respect local authority and promote intergovernmental partnership by authorizing the collection of local taxes already owed to state and local governments on Internet and mail-order sales. Accordingly, NLC calls on Congress to immediately pass the Marketplace Fairness Act (S 698).

#### **V. Bipartisan Energy Efficiency Bill Headed for President's Signature**

With NLC's support, the [Energy Efficiency Improvement Act](#) (S. 535) passed the House by voice vote and is headed to President Obama for his expected signature. The bill, which passed the Senate last month, will improve the energy efficiency of commercial and federal buildings.

The building sector accounts for 39 percent of the nation's energy use, 72 percent of its electricity use, one third of all global greenhouse gas emissions and represents the single largest, most accessible opportunity for deep emissions cuts in the United States.

Sponsored by Sens. Rob Portman (OH) and Jeanne Shaheen (NH), the bill establishes a voluntary approach to aligning the interests of commercial building owners and their tenants to promote energy efficiency in separately leased spaces. Additionally, the bill requires that federally-leased buildings without Energy Star labels benchmark and disclose their energy usage data, where practical. Together, these provisions will save taxpayers money, strengthen local economies and improve the environment by reducing greenhouse gas emissions. Improving the energy efficiency of buildings is the most cost-effective way to achieve reduction goals; it will save homeowners and businesses money by reducing utility bills and create thousands of local jobs.

The provisions of S. 535 are part of a larger energy efficiency bill, the [Energy Savings and Industrial Competitiveness Act](#), (S. 720) which was introduced by the pair earlier this year and is scheduled for a hearing in the Senate Committee on Energy and Natural Resources next week. NLC [supported](#) a similar bill last year. Among the key provisions that NLC supports is one that provides lenders and homeowners with more flexible federal mortgage underwriting rules that would include a home's expected energy cost savings when determining the value and affordability of the home.

## **VI. USDA Grants Available to Plan, Implement Farmers Markets**

The U.S. Department of Agriculture (USDA) is accepting grant applications for its [Farmers Market Promotion Program](#) and [Local Food Promotion Program](#) to support local and regional food systems. Applications for both competitive grants are due May 14.

The Farmers Market Promotion Program grants fund farmer-to-consumer direct marketing projects such as farmers markets, community-supported agriculture programs, roadside stands, and agritourism.

The Local Food Promotion Program grants fund local and regional food business enterprises that serve as intermediaries to process, distribute, aggregate, and store locally or regionally produced food projects. Projects also provide technical assistance and outreach, including planning grants for local food businesses.

The 2014 Farm Bill provides \$30 million in funding through fiscal years 2014-2018 approximately \$15 million for the Farmers Market Promotion Program and approximately \$15 million for the Local Food Promotion Program.

To aid with the grant application process, USDA is hosting in-person grant writing workshop in each state, as well as additional tools and materials provided through the [Agricultural Marketing Service Technical Assistance](#) website. Workshops will focus on effective grant-writing practices, with an emphasis on USDA's Farmers Market and Local Food Promotion Programs.

For more information on registering for one of these workshops and to access other resources, visit the [Agricultural Marketing Service Technical Assistance](#) website.

Very truly yours,

William G. Dressel, Jr.  
Executive Director