NORTH CAROLINA ASSOCIATION OF COUNTY COMMISSIONERS
2016 (FY17) FEDERAL PRIORITIES FOR NC COUNTIES

INFORMATION PACKET
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NORTH CAROLINA ASSOCIATION OF COUNTY COMMISSIONERS

WHO WE ARE: Founded in 1908, the North Carolina Association of County Commissioners (NCACC) is one of the most successful and active statewide local government associations in the nation. All 100 counties in the state are members of the NCACC as well as NACo. Members of the association include commissioners, county management, and county staff.

WHY WE ARE HERE: Prior to each new Congress, the NCACC solicits requests for federal priorities from all 100 counties. Those recommendations are debated and considered by the NCACC Board of Directors, which is a 50 member Board made up of elected commissioners from around the state. Issues that are considered to have a broad scope, impacting 100 counties, are approved by the Board to be included in the list of federal priorities.

Once approved by the Board, the federal priority list is then presented to the North Carolina Congressional Delegation during the annual National Association of Counties (NACo) Legislative Conference. NACo is the only national organization that represents county governments in the United States.

We ask that our congressional delegation pay close attention to these issues and work collaboratively with us, and NACo, to ensure that the interests of counties are upheld in all legislative activity by Congress.

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2016 (FY17) FEDERAL PRIORITIES FOR NC COUNTIES: *A Quick Guide to Our Issues*

Support Remote Sales Tax Collection (Marketplace Fairness Act) - North Carolina and its counties are losing hundreds of millions of dollars annually in sales tax revenues through untaxed remote sales. Collecting remote sales taxes is neither a new tax nor a tax increase; these revenues are actually already due and payable by law.

Oppose Unfunded Mandates to Counties - Reductions in federal spending and deficits should not be accomplished by shifting costs to counties, imposing unfunded mandates, or pre-empting county programs and taxing authority. NC counties oppose any legislative or regulatory initiatives that undermine local government decision making authority and contribute to reductions to the economic prosperity and workforce of NC's counties.

Protect Temporary Assistance for Needy Families, Social Services Block Grants, Food and Nutrition Service Programs, and the Public Health Fund - Counties are the first responders providing health and human services to the public and, in particular, our nation's vulnerable populations – children, elderly and the chronically ill. Many of these services are also mandated by federal law and therefore the federal government provides funding to assist states and local communities in meeting the demand for these services. The populations that these programs help serve do not diminish with reductions in, or elimination of, federal assistance, and thus counties are forced to make up the difference.

Support Federal Funding for Payment In Lieu of Taxes (PILT) and Secure Rural Schools; Cooperative Extension Programs; Broadband Access in Rural Areas; Community Development Block Grants (CDBG); and Set-Asides for County Infrastructure Projects - In both rural and urban areas, NC counties throughout the state rely on the federal-local partnership that supports community and economic development and public infrastructure. In recent years, the partnership, and the economic vitality of NC counties, has been threatened when efforts to trim the federal budget have targeted these local government programs.

Support Realistic, Fair, and Enforceable Immigration Reform - While immigration is a federal responsibility, counties are directly affected by immigration. Counties are required by law to provide emergency health, free elementary and secondary education, and public safety to everyone regardless of immigration status. NC counties request that Congress address and pass reasonable reforms to US immigration policy that will better assist counties in delivering services to citizens.

Repeal Expansion of Federal Control Under the Clean Water Act - NC counties call on Congress to require the U.S. Environmental Protection Agency (EPA) and U.S. Army Corps of Engineers (USACE) to withdraw the new "Waters of the U.S." (WOTUS) rule and rewrite it in consultation and collaboration with state and local governments. NC counties own water quality systems and other infrastructure like roadside ditches, stormwater systems, green infrastructure and drinking water facilities that should be excluded from the WOTUS definition under the federal Clean Water Act. If left in place as is, this rule will substantially increase the cost of permitting and cause significant harm to farmers, businesses and landowners.

Preserve Tax-Exempt Status of Municipal Bonds - Tax-exempt bonds were written in the first tax code in 1913 and are a well-established financing tool. They are predominantly issued by state and local governments, which are responsible for 75% of all public facilities and infrastructure. The interest exemption incentivizes investors to finance these securities. Without the exemption, the expense of financing capital needs will increase sharply, prohibiting the construction of many infrastructure projects and leading to additional state and local taxes.

Support Increased Funding for Military and Veterans Programs, Including Impact Aid and Support Services for Veterans - North Carolina is proud to be one of the most military and veteran friendly states in the nation. With that distinction, however, also comes responsibility to care for the men, women and their families while they bravely serve and when they return. NC counties cannot afford to bear that responsibility alone.

Support full funding of the Land and Water Conservation Fund (LWCF) and its State Assistance Program - The LWCF is paid for with fees and permits from Outer Continental Shelf drilling. A portion of these funds are reinvested in state and local parks and outdoor recreation through the State Assistance Program. Even though the LWCF has a dedicated funding source, it receives far less annually than authorization levels allow because the funding is diverted to other purposes outside of what the law intended. NC counties welcomed the FY16 increase in federal funding for "stateside" and support maintaining that funding level again in FY17.

Support the Field EMS Innovation Act - NC counties support legislation (H.R. 2366) that amends the Public Health Service Act to designate the Department of Health and Human Services (HHS) as the primary federal agency for emergency medical services (EMS) and trauma care. It also establishes the Office of EMS and Trauma within HHS; gives the agency responsibilities related to EMS; and creates a grant program to improve field EMS agency readiness and field EMS education programs.

Support Legislation to End Human Trafficking - According to the U.S. Government, thousands of women, men and children are trafficked to the United States for purposes of sexual and labor exploitation. An unknown number of U.S. citizens and legal residents are trafficked within the country, too, and the State of North Carolina is no exception. NC counties support legislation that takes action against human trafficking.

ISSUE	POSITION
Remote Sales Tax Collection	Pass Marketplace Fairness Act (S. 698) and Remote Transactions Parity Act (H.R. 2775)
Unfunded Mandates	Oppose funding cuts, policy, and regulatory changes that transfer costs to counties
Temporary Assistance to Needy Families (TANF)	Reauthorize TANF long-term, expand flexibility, and restore supplemental grants
Social Services Block Grant, Food and Nutrition Service Programs, and Public Health Fund	Preserve programs that provide federal share in health and human services responsibility and retain current funding levels; **except for the Supplemental Nutrition Assistance Program (SNAP), which received a $1 billion decrease from FY15 funding levels in the FY16 omnibus appropriations bill**.
Payment In Lieu of Taxes/Secure Rural Schools; Cooperative Extension Programs; Broadband Access in Rural Areas; Community Development Block Grants; and Set-Asides for County Infrastructure Projects	Support programs that continue investing in federal-local partnership for community and economic development and public infrastructure
Immigration Reform	Support development and implementation of a realistic, fair, and enforceable National Immigration Policy
Waters of the U.S.	Require EPA/USACE to withdraw the new rule and rewrite it in collaboration with state and local governments
Tax-exempt Municipal Bonds	Oppose changes to current status
Military and Veterans	Increase funding for federal programs that support military communities, such as Impact Aid, as well as services for veterans and their families
Land and Water Conservation Fund (LWCF), State Assistance Program	Fully fund LWCF; dedicate more to State Assistance Program
Emergency Management Services (EMS)	Cosponsor and pass H.R. 2366 and introduce Senate bill
Human Trafficking	Support legislation to end human trafficking

SUPPORT REMOTE SALES TAX COLLECTION (MARKETPLACE FAIRNESS ACT)

North Carolina and its counties are losing hundreds of millions of dollars annually in sales tax revenues through untaxed remote sales. Collecting remote sales taxes is neither a new tax nor a tax increase; these revenues are actually already due and payable by law.

Relevant Committee – and the North Carolina Member of Congress serving on it:

- Senate Finance Committee – Senator Richard Burr

Talking Points:

- Pass Marketplace Fairness Act (MFA) (S. 698) and Remote Transactions Parity Act (H.R. 2775).
- This is not a tax increase; these revenues are actually already due and payable by law. Amazon already collects taxes in NC for online sales; others should, too.
- Untaxed remote sales also disadvantage local "main street" merchants that must charge and collect sales taxes while remote sellers are not required to do so.
- Thank Senator Richard Burr for supporting passage of MFA (S. 336) in the 113th Congress and ask that he cosponsor S. 698 in this Congress, as well as work for its passage this year. (S. 336 in the last Congress passed the Senate with strong, bipartisan support (66-27)).
- Ask Senator Thom Tillis to cosponsor S. 698 and pro-actively work for its passage this year.
- Thank Representatives Renee Ellmers and David Price for cosponsoring H.R. 2775 and ask that they work for its passage this year.
- Ask all other Members of the NC Congressional Delegation to cosponsor H.R. 2775 and pro-actively work for passage this year.
- The current system is outdated and does not reflect the realities of today's marketplace. Online sales continue to increase – yet the Internet remains a tax-free zone.
- Without the ability to enforce existing sales taxes for online purchases, state and local governments lose an increasing level of revenue that is needed to pay for basic services that touch people's lives every day, such as schools, hospitals and law enforcement officers.
- This is not a burden. Certified providers with the necessary software to track varying tax rates already exist. Keeping track of the tax rates is no more complicated than calculating real-time-shipping, a feature that already exists on most web sites and online sales marketplaces.
- MFA exempts businesses that have online sales of no more than $1 million a year and requires states to provide free compliance software to those retailers in order to help small retailers.

- MFA and similar e-fairness legislation has been introduced since 2002 and has received more than 12 years of review, debate, and committee hearings. Congress needs to move e-fairness legislation this year.

Background: In 1992, the Supreme Court reaffirmed a 1967 court case, *Bellas Hess*, in *Quill v. North Dakota,* but elaborated that Congress ultimately has the power to resolve the question of taxation on interstate commerce. Since those earlier decisions, online sales have also grown exponentially and are projected to continue to increase. State and local governments are still unable to enforce their existing sales tax laws on many of those purchases, resulting in billions of local tax dollars lost each year. A University of Tennessee study estimated the loss for state and local governments nationwide in 2012 alone to be approximately $23 billion. Online sales continue to break records every year since then.

The MFA gives states the power to enforce their existing sales tax laws regardless of whether a purchase is made in a store, online or through a catalog retailer. This legislation creates two systems to facilitate multistate sales tax collection: the Streamlined Sales and Use Tax Agreement and an alternative where states may collect after adopting minimum simplification requirements for their sales tax laws and administration. The Streamlined Sales and Use Tax Agreement, supported by NACo and other state and local government organizations, is a multistate compact that seeks to reduce the complexity of state and local sales and use tax laws and would permit the collection of sales and use taxes from remote sellers. North Carolina is a founding member of this agreement. Within the work of the Streamline Agreement, the states partnered with private sector suppliers to develop and certify software that simplifies collection. Member states also help pay for the software for some retailers.

Legislators, however, continue to disagree about the location of an online transaction (a.k.a. "sourcing") because that determines where a business will report and file the taxes. The MFA says that the transaction should be sourced to the buyer's location. Opponents of the MFA argue that the seller is not located where the buyer is located and should therefore not have to file taxes in that state. Proponents counter that the seller uses state infrastructure to deliver goods to the buyer. House Judiciary Chairman Bob Goodlatte (R-VA) released a draft bill for discussion in 2015, titled "Online Sales Simplification Act of 2015." The draft bill recommends a hybrid approach in that transactions will be sourced to the state where the seller is located, and then the seller state would remit the taxes to the buyer's state (through a clearing house, to be created).

An extension of the Internet Tax Freedom Act (ITFA) through the end of this fiscal year was included in the FY16 Consolidated Appropriations bill (i.e. "the omnibus"). This provision prohibits entities from taxing Internet use. Since ITFA was considered the primary vehicle for passage of the MFA, it will be much harder to pass the MFA in the Second Session unless Members of Congress aggressively push for it.

<u>Marketplace Fairness Act coalition partners include:</u>

National Association of Counties
National League of Cities
U.S. Conference of Mayors
National Conference of State Legislators
National Governors Association
Council of State Governments
International City/County Management Association
Retail Leaders Industry Association
International Council of Shopping Centers
National Retail Federation

OPPOSE UNFUNDED MANDATES TO COUNTIES

Reductions in federal spending and deficits should not be accomplished by shifting costs to counties, imposing unfunded mandates, or pre-empting county programs and taxing authority. NC counties oppose any legislative or regulatory initiatives that undermine local government decision making authority and contribute to reductions to the economic prosperity and workforce of NC's counties.

Relevant Committees – and the North Carolina Members of Congress serving on them:

- House Oversight and Government Reform - Representatives Mark Meadows and Mark Walker
- House Appropriations Committee – Representative David Price
- House Ways and Means Committee – Representative George Holding
- Senate Finance Committee – Senator Richard Burr

Talking Points:

- Thank Representative Virginia Foxx for introducing Unfunded Mandates and Information and Transparency Act of 2015 (H.R. 50), bipartisan legislation that works to improve the requirements of Unfunded Mandates Reform Act (UMRA).

- Thank Representatives Renee Ellmers, Walter Jones, Mark Walker, David Rouzer, Richard Hudson, Robert Pittenger, Patrick McHenry, Mark Meadows and George Holding for supporting passage of H.R. 50. (The North Carolina Congressional Delegation voted along party lines, with Representatives G.K. Butterfield, David Price and Alma Adams opposing the bill.)

- NC counties have already suffered cuts to programs that serve vulnerable populations, such as children and seniors, through federal arbitrary cuts that shifted expenditures to the local level as a means of reducing federal deficit spending.

- Show the list of current unfunded mandates and other regulatory impacts on counties. (*List is attached to this document; Source: NACo report*)

- Federal budget initiatives that overhaul program mandates and unnecessary regulations are recommended so that federal costs and responsibilities are not shifted to counties.

Background: NC counties recognize the tremendous financial pressures to reign in federal spending. Counties have cut their budgets and programs significantly during the recession to manage declining revenues and have suffered cost shifts and funding reductions as well. The Unfunded Mandates Reform Act (UMRA) of 1995 (P.L. 104-4) was enacted to help curb the practice of imposing unfunded federal mandates on state and local governments. According to the report published by NACo, however, the practice continues.

On January 6, 2015, *U.S. Representative Virginia Foxx (R-NC) introduced the Unfunded Mandates Information and Transparency Act (H.R. 50).* The purpose of the Act is to: (1) improve the quality of the deliberations of Congress with respect to proposed federal mandates by providing Congress and the public with more complete information about the effects of such mandates and by ensuring that Congress acts on such mandates only after focused deliberation on their effects; and (2) enhance the ability of Congress and the public to identify federal mandates that may impose undue harm on consumers, workers, employers, small businesses, and state, local, and tribal governments. The legislation was referred to four committees.

The House passed (250-173) H.R. 50 on February 4, 2015. An identical bill, S. 189, was introduced by Sen. Deb Fischer (R-NE) on January 20, 2015 and has been referred to the Senate Homeland Security and Governmental Affairs Committee. No action has occurred since then.

REAUTHORIZE THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)

Counties use TANF dollars to provide county child protective services and for work supports such as childcare and job training. Counties share administrative costs and may also contribute to the Maintenance of Effort requirements. Long-term reauthorization of TANF should provide greater state and county flexibility to deliver services that support families and help move them off welfare, including allowing higher education to count as work and realistic time limits on education.

Relevant Committees – and the North Carolina Members of Congress serving on them:

- House Education and the Workforce Committee – Representatives Virginia Foxx and Alma Adams
- House Ways and Means Committee – Representative George Holding
- Senate Finance Committee - Senator Richard Burr
- Senate Health, Education, Labor and Pensions (HELP) Committee – Senator Richard Burr

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Talking Points:

- TANF block grants provide funding to states to help families reduce welfare dependency and counties that operate TANF have a direct stake in the program. Counties share administrative costs and may also contribute to the Maintenance of Effort requirements. Additionally, sanctions that are imposed on the state for failure to meet program requirements are often passed down to the counties.

- Congress needs to pass a long-term reauthorization of TANF, which will give Congress the opportunity to revisit and improve the program, while also eliminating the uncertainty and difficulty in planning that short-term extensions create.

- It is critically important to North Carolina that the supplemental grants be restored. These funds correct the original formula deficiencies in the basic TANF grants.

- The original intent of TANF was to allow states to design the program according to their needs, but that flexibility has since been reduced and should be restored.

- TANF reauthorization should provide greater state and county flexibility to deliver services that support families and help move them off welfare, including allowing higher education to count as work and realistic time limits on education.

Background: Temporary Assistance for Needy Families (TANF) was created in 1996 to replace another federal program as part of welfare reform. It provides benefits to 3.5 million people, most significantly impacting families who live well below the federal poverty level and have no other source of income. Administered by the U.S. Department of Health and Human Services, the program has four goals: provide assistance to needy families so that children can be cared for in their own homes; reduce the dependency of needy parents by promoting job preparation, work and marriage; prevent and reduce unplanned pregnancies among single young adults; and encourage the formation and maintenance of two-parent families.

TANF is a block grant to states and it is mandatory funding, meaning that it is not subject to the annual appropriations process. As a result, however, TANF has been flat funded for 17 years and has shrunk 30 percent in real (inflation-adjusted) dollars. In addition to federal funding, states must contribute to the program through a maintenance of effort (MOE) requirement. Although TANF is primarily a partnership between the federal government and the states, some states -- including North Carolina -- partner with their counties in the operation of the program.

TANF was designed to give states great flexibility in program design and determining eligibility, benefits and services. These funds are used for cash assistance as well as non-cash assistance such as child care, education and job training and work support programs. In order for families to qualify for TANF, states must require participation in work activities and must have a certain percentage of the families involved in work activities for at least 30 hours a week, or 20 hours for single parents with small children. There is a five-year limit for cash assistance to families that include an adult recipient, although states can exceed the time limit for up to 20 percent of the caseload based on hardship.

The last long-term reauthorization for TANF was 2005. The program has been reauthorized since then through a series of short-term extensions, including most recently through September 2016 as part of the FY16 Consolidated Appropriations (i.e. “omnibus bill”).

Another North Carolina-specific issue is supplemental grants. The TANF basic grant formula over-compensated states with high welfare family payments, which effectively penalized North Carolina and 16 other states for having a conservative welfare policy with low cash assistance payments, time-limited benefits and an emphasis on work and personal responsibility. The supplemental program was established to address these formula inequities, but the authorization for these grants expired April 2011. Furthermore, a Contingency Fund, which Congress created to meet additional needs during hard economic times, is inadequately funded and poorly designed. For example, its complex requirements discourage many states that are facing significant hardships from using the fund.

SUPPORT AND PRESERVE THE SOCIAL SERVICES BLOCK GRANT

The Social Services Block Grant (SSBG) provides funds to states for activities that serve vulnerable populations including adults and children at risk of abuse and neglect. The State of North Carolina passes the funds directly to counties. SSBG has been funded at $1.7 billion since 2001, but it was funded as high as $2.8 billion from 1991 to 1995. NC counties request that Congress continue to fund SSBG.

Relevant Committees – and the North Carolina Members of Congress serving on them:

- House Ways and Means Committee – Representative George Holding
- Senate Finance Committee - Senator Richard Burr

Talking Points:

- SSBG provides funds to states for activities that serve vulnerable populations including adults and children at risk of abuse and neglect. The State of North Carolina passes the funds directly to counties.

- Tell House Members what your county does with these funds and ask them to protect and preserve the program.

- SSBG is currently the only source of federal funds for adult protective services, which is frequently a county responsibility in North Carolina.

- Federal law mandates that child protective services and foster care be provided to neglected and abused children. SSBG funds are used to support foster care placements for children who are otherwise ineligible for the federal foster care program, and support direct child support services in North Carolina.

Background: SSBG is a flexible source of funding that allows states to provide a diverse array of services to low-income children and families, the disabled, and the elderly, including:

- Daycare
- Protective services
- Special services to persons with disabilities
- Adoption
- Case management
- Health related services
- Transportation
- Foster care
- Substance abuse
- Housing
- Home-delivered meals
- Independent/transitional living
- Employment services

Funding for SSBG has been cut continuously, and should be restored to the highest level possible with a maximum amount of flexibility for states and counties.

PROTECT FOOD AND NUTRITION SERVICE PROGRAMS AND THE PUBLIC HEALTH FUND

Counties are the first responders providing health and human services to the public and, in particular, our nation's vulnerable populations – children, elderly and the chronically ill. Many of these services are also mandated by federal law and therefore the federal government provides funding to assist states and local communities in meeting the demand for these services. The populations that these programs help serve do not diminish with reductions in, or elimination of, federal assistance, and thus counties are forced to make up the difference.

FOOD AND NUTRITION SERVICE

Relevant Committee – and the North Carolina Member of Congress serving on it:

- House Appropriations Committee – Representative David Price

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Talking Points:

- Food and Nutrition Service Programs, including but not limited to the Supplemental Nutrition Assistance Programs (SNAP); Women, Infants and Children (WIC); National School Lunch Program, serve 1 in 4 Americans annually.

- These programs are used by counties to improve diet quality among children and low-income people and to reduce food insecurity.

- **The Supplemental Nutrition Assistance Program (SNAP) received a $1 billion decrease from FY15 funding levels in the FY16 omnibus appropriations bill. This must be restored.**

- According to a USDA study released in August 2013, for example, participating in SNAP for six months was associated with a decrease in food insecurity by about 5 to 10 percentage points, including households with food insecurity among children.

Background: The Food and Nutrition Service (FNS) administers the nutrition assistance programs of the U.S. Department of Agriculture. The mission of FNS is to provide children and needy families better access to food and a more healthful diet through its food assistance programs and comprehensive nutrition education efforts. FNS has elevated nutrition and nutrition education to a top priority in all its programs. In addition to providing access to nutritious food, FNS also works to empower program participants with knowledge of the link between diet and health. FNS programs are administered through the state.

PUBLIC HEALTH FUND

Relevant Committees – and the North Carolina Members of Congress serving on them:

- House Energy and Commerce – Representatives G.K. Butterfield, Renee Ellmers and Richard Hudson
- House Appropriations Committee – Representative David Price
- Senate Health, Education, Labor and Pensions (HELP) Committee – Senator Richard Burr

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Talking Points:

- The Public Health Fund is implemented as a partnership with states and communities to help control the obesity epidemic, fight health disparities, respond to health threats, reduce tobacco use, modernize vaccine systems, increase the effectiveness and efficiency of public health, and fight chronic diseases.

- Chronic diseases – such as heart disease, cancer, stroke, and diabetes – are responsible for 7 out of 10 deaths among Americans each year. They account for 75% of the nation's health spending.

- A report from Trust for America's Health entitled *Prevention for a Healthier America* concluded that investing $1 in proven community-based programs yields a return of $5.60.

- Federal funding for Public Health from the U.S. Centers of Disease Control (CDC) exceeded $182 million in 2014 (2015 figures forthcoming).

Background: The Affordable Care Act (ACA) created a Prevention and Public Health Fund for the purpose of investing in promoting wellness, preventing disease, and protecting against public health emergencies. The ACA originally authorized increasing amounts for the Prevention Fund for FY10 through FY14, gradually building from $500 million authorized for FY10 to $2 billion authorized for FY15 and for every subsequent fiscal year thereafter. Reaching those funding levels will be extremely difficult under current budget constraints. Various bills since the program's inception have targeted its funding in order to cover other costs, including the extension of unemployment benefits and delayed scheduled cuts to Medicare physician reimbursements. The Centers for Disease Control (CDC) receives the bulk of PPHF funding and invests some of this money jointly with CDC's regular appropriation to maximize benefits with limited resources. The PPHF, which provides a large amount of funding to counties through grants administrated by the CDC, received a slight funding increase in the omnibus. This is a major accomplishment considering the number of times the program has been targeted for drastic funding cuts and elimination.

SUPPORT FEDERAL FUNDING FOR PAYMENT IN LIEU OF TAXES (PILT) AND SECURE RURAL SCHOOLS; COOPERATIVE EXTENSION PROGRAMS; BROADBAND ACCESS IN RURAL AREAS; COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG); AND SET-ASIDES FOR COUNTY INFRASTRUCTURE PROJECTS

In both rural and urban areas, NC counties throughout the state rely on the federal-local partnership that supports community and economic development and public infrastructure. In recent years, the partnership, and the economic vitality of NC counties, has been threatened when efforts to trim the federal budget have targeted these local government programs.

PAYMENT IN LIEU OF TAXES (PILT) AND SECURE RURAL SCHOOLS (SRS)

Relevant Committees – and the North Carolina Members of Congress serving on them:

PILT/SRS reauthorization is under the jurisdiction of the House Natural Resources and Senate Energy and Natural Resources Committees. However, without NC Members on those committees, NCACC recommends highlighting the issue with the following:

- House Agriculture Committee – Representatives David Rouzer and Alma Adams
- House Appropriations Committee – Representative David Price
- Senate Agriculture, Nutrition, and Forestry Committee – Senator Thom Tillis

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Talking Points:

- Land owned by the federal government, referred to as federal or public land, is exempt from local property taxes.

- The PILT program provides payments to counties and other local governments to offset losses in tax revenues due to the presence of tax-exempt federal land in their jurisdictions.

- PILT payments are typically made directly to counties.

- The SRS program was established to provide a guaranteed payment option to counties and schools located in forested areas in light of drastic reductions in funding derived from timber harvesting on national forest lands.

- NC counties applaud the full-funding federal investment in FY16 for the PILT program. However, Congress needs to pass a long-term reauthorization bill that fully funds PILT for FY17 and beyond. The PILT and SRS programs support ongoing, vital services and should have ongoing, predictable funding.

- NC counties call on Congress to protect PILT and SRS funding in the annual appropriations process.

Background: PILT compensates counties for tax-exempt federal land within their boundaries. In 2008, PILT was changed from a discretionary to a mandatory program, meaning it was not subject to annual appropriations. However, the program continues to receive only one-year authorization extensions. Counties received their last full PILT payment in October of 2015. NACo calls on Congress to enact mandatory, long-term full funding for PILT to remove the uncertainty to small counties that rely on this funding annually.

Additionally, NC counties also support extending the Secure Rural Schools (SRS) program as a transitional funding mechanism until the federal government fully implements a sustainable long-term forest management program with adequate revenue sharing for forest counties and schools.

NACo has an online action center with national and county-specific information about the PILT program. For a detailed profile on individual counties in North Carolina that receive more than $10,000 each in PILT funding, visit http://www.naco.org/advocacy/action-centers/payment-lieu-taxes-pilt.

COOPERATIVE EXTENSION PROGRAMS

Relevant Committee – and the North Carolina Member of Congress serving on it:

- House Appropriations Committee – Representative David Price

Talking Points:

- The North Carolina Cooperative Extension Service, the largest outreach program at North Carolina State University, reaches millions of NC citizens through local centers in the state's 100 counties and with the Eastern Band of Cherokee Indians.

- In the county centers across the state, county agents are the bridge between the state's people and Extension specialists working at the state's land-grant universities. Agents educate the public through meetings and workshops, field days, personal consultations, and web and video conferencing. They also provide publications, newsletters, social media interaction, videos and other educational materials.

- NC counties ask that our Members of Congress maximize funding for Cooperative Extension Services.

- In recent years, reform initiatives have aimed at trimming funding for the agency and phasing out federal formula funding in favor of competitive grants. NC counties support formula funding that gives priority to local needs.

Background: 100 Years of Cooperative Extension - Cooperative Extension is a partnership that began 1914 under the Smith Lever Act and today includes county governments working to solve local problems, a national network of land-grant universities including NC State and NC A&T State University, and the US Department of

Agriculture (USDA) working together. The NC Cooperative Extension Service has offices in all 100 NC counties and with the Eastern Bank of the Cherokee Indians. These offices are staffed by one or more experts who provide useful, practical, and research-based information to agricultural producers, small business owners, youth, consumers, and others in rural areas and communities of all sizes.

The National Institute of Food and Agriculture (NIFA) in the USDA was created by Congress in 2008 to replace the former Cooperative State Research, Education, and Extension Service (CSREES). As the federal partner in the Cooperative Extension System, NIFA has two main functions: (1) helping states identify and meet research and education priorities and (2) providing annual formula grants to land-grant universities and competitively granted funds to researchers at land-grant and other universities. The focus on the funded research includes, improving agricultural productivity, creating new products, protecting animal and plant health, promoting sound human nutrition and health, and revitalizing rural communities.

In recent years, reform initiatives have aimed at trimming funding for the agency and phasing out federal formula funding in favor of competitive grants. Since the late 19th century, formula funding for public agricultural research has been controlled at the state level by scientists who determine priorities for local research needs and issues.

BROADBAND ACCESS IN RURAL AREAS

Relevant Committee – and the North Carolina Member of Congress serving on it:

- House Appropriations Committee – Representative David Price

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Talking Points:

- Broadband access has gone from being a luxury to a necessity for normal communications in our economy and society. Rural communities are crippled without it.

- Not only for the individuals trying to register for government benefits or keep up with classes offered at the local community center, but for libraries, schools, health clinics, and hospitals, too, broadband is a basic need and something no community can be without.

- Broadband is expected by employers, job seekers, and businesses looking to bring goods to markets. Lack of access to broadband costs counties jobs.

- With little competition among service providers in rural America, prices are often higher in these regions. Additional investment in broadband availability will increase competition and shift prices down, a potential boon to rural regions.

- Reform and resources will not only drive economic growth in rural America, but will also expand the online marketplace nationwide, benefitting both urban and rural consumers, creating jobs and new business opportunities.

- NC counties request that our congressional delegation support additional investments and initiatives that give access to high-speed Internet connectivity, especially in rural areas, and provide counties flexibility when accessing robust broadband infrastructure.

Background: The "digital divide" is a term that has been used to characterize a gap between those Americans who use or have access to telecommunications and information technologies and those who do not. One important subset of the digital divide debate concerns high-speed Internet access and advanced telecommunications services, also known as broadband. Broadband is provided by a series of technologies (e.g., cable, telephone wire, fiber, satellite, wireless) that give users the ability to send and receive data at volumes and speeds far greater than traditional "dial-up" Internet access over telephone lines.

Broadband technologies are currently being deployed primarily by the private sector throughout the United States. While the numbers of new broadband subscribers continue to grow, studies and data suggest that the rate of broadband deployment in urban/suburban and high income areas is outpacing deployment in rural and low-income areas. Some policymakers, believing that disparities in broadband access across American society could have adverse economic and social consequences on those left behind, assert that the federal government should play a more active role to avoid a "digital divide" in broadband access. One approach is for the federal government to provide financial assistance to support broadband deployment in unserved and underserved areas.

Improvements to broadband access in rural areas are funded primarily through the U.S. Department of Agriculture (Rural Utilities Service) and the U.S. Department of Commerce (National Telecommunications and Information Administration).

COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG)

Relevant Committee – and the North Carolina Member of Congress serving on it:

- House Appropriations Committee – Representative David Price

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Talking Points:

- CDBG provides federal funding to state and local governments, including counties.

- Some urban counties qualify, based on population, as "entitlement communities" and receive direct federal funding. Counties that do not qualify for direct funding – typically rural counties – are considered "non-entitlement communities" and can receive CDBG funds through their states.

- Counties use CDBG funds for projects related to housing community and economic development, water and infrastructure projects, and human services. The flexibility of CDBG funds allows counties to partner with the private and non-profit sectors to address community needs.

- According to HUD, for every $1 of CDBG funding, another $4.07 is leveraged in private and/or public sector funding. Yet, $1 billion has been cut from CDBG since FY10 at a time when county governments have struggled to provide public services during the worst economic recession since the Great Depression.

- NC counties urge the North Carolina Congressional Delegation to stop any further cuts to the program and to begin restoring funding levels when possible, as well oppose changes to the program that cause entitlement communities to lose entitlement status and that create a minimum grant threshold.

Background: For 40 years, CDBG has contributed to building strong communities. However, during the last decade, the program has been under attack, with decreased funding of more than $1 billion over the last six years. This represents more than a 25 percent decrease in funding at the same time that county governments have been struggling to provide public services during the worst economic recession since the Great Depression. NC counties consider this an unfunded mandate.

To qualify as an "entitlement community," a county must have a population of at least 200,000, excluding the population of any "entitlement" cities within its jurisdiction. To receive annual CDBG funding, an entitlement community must develop and submit to HUD its Consolidated Plan, which is a jurisdiction's comprehensive planning document and application for funding under several HUD grant programs, including CDBG. In its Consolidated Plan, the jurisdiction must identify its goals for the various grant programs and then these goals serve as the criteria against which HUD will evaluate a jurisdiction's Plan and its performance under the Plan. For non-entitlement communities, states develop annual funding priorities and criteria for selecting projects, while local governments consider local needs and prepare grant applications for submission to states based on those needs.

All grantees must use no less than 70 percent of CDBG funds for activities that benefit low and moderate income persons over a one, two or three year period, as determined by the grantee. Each activity must also meet a national objective for the program, such as eliminating slums and blight or addressing urgent community development needs. Each CDBG grantee must also develop and follow a detailed plan that encourages citizen participation and emphasizes participation by persons of low or moderate income, particularly residents of predominantly low and moderate income neighborhoods and areas in which the grantee proposes to use CDBG funds. CDBG features a loan guarantee provision, called the Section 108 program, which provides communities and states with a source of financing for economic development, housing rehabilitation, public facilities and large-scale physical development projects.

In recent years, HUD has recommended various "reforms" to CDBG, including a provision that would eliminate community "grandfathering" – a policy that currently prevents entitlement communities from losing entitlement status – and another that would establish a minimum grant threshold. These changes would prevent smaller-sized communities, including some counties, from receiving direct CDBG funding. While none of these proposals have gained much traction on Capitol Hill, the President has reiterated many of HUD's recommendations annually in his proposed budgets, as well as additional cuts to funding. In 2011, the Republican Study Committee released a spending reduction plan proposing to eliminate CDBG entirely.

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SET-ASIDES FOR COUNTY INFRASTRUCTURE PROJECTS

Relevant Committee – and the North Carolina Member of Congress serving on it:

- House Appropriations Committee – Representative David Price

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Talking Points:

- USDA Rural Development operates a broad range of grant and loan programs that are critical to rural counties. These programs include grant funding and loan financing for water/wastewater infrastructure, community facilities, broadband, electric, renewable energy and business development.

- USDA uses its limited grant funding to assist the most economically depressed rural areas with fundamental community and public services.

- The agency and its county-supported programs have been cut by more than a third since 2003. Further cuts will continue to weaken economic development opportunities and basic living conditions in rural counties.

- NC counties oppose further cuts to USDA Rural Development programs, particularly those that target local and regional priorities, and urge its congressional delegation to do the same.

Background: Rural Development works to ensure that rural citizens can participate fully in the global economy by providing technical assistance and programs that help rural Americans build strong economies to improve their quality of life. These programs help spur economic growth by supporting basic infrastructure, providing loans to rural businesses and industries, and helping communities create prosperity that is self-sustaining.

The North Carolina State Office, located in Raleigh, NC, administers USDA Rural Development programs through six area offices and 14 field offices across the state.

SUPPORT THE DEVELOPMENT AND IMPLEMENTATION OF A REALISTIC, FAIR AND ENFORCEABLE NATIONAL IMMIGRATION POLICY

While immigration is a federal responsibility, counties are directly affected by immigration. Counties are required by law to provide emergency health, free elementary and secondary education, and public safety to everyone regardless of immigration status. NC counties request that Congress address and pass reasonable reforms to US immigration policy that will better assist counties in delivering services to citizens.

Relevant Committees – and the North Carolina Members of Congress serving on them:

- House Appropriations Committee – Representative David Price
- Senate Judiciary Committee – Senator Thom Tillis

Talking Points:

- While immigration is a federal responsibility, counties are directly affected by immigration. Counties are required by law to provide emergency health, free elementary and secondary education, and public safety to everyone regardless of immigration status.
- Immigration reform is needed especially in the NC agricultural community, which relies heavily on guest worker programs for harvesting seasonal crops.
- Immigration reform should recognize the inherent federal responsibility to enforce civil immigration law and have no new unfunded mandates for state and counties.
- NC counties support the following advocacy efforts by NACo to reform immigration policies:
    - NACo supports comprehensive immigration reform that includes a modernized legal immigration system, establishes a temporary worker program, provides an earned path to citizenship and enhances border security.
    - NACo supports a national strategy for consultation and coordination on immigration among federal, state, local and tribal authorities.
    - NACo supports a sustainable funding stream to cover the costs of immigrant health care, criminal justice and education, including adult English as a second language and citizenship classes.
- An earned path to citizenship should include requirements to register, learn English and civics, pay back taxes and any fines required by the law, pass criminal and security background checks, and pass English and civics tests.

Background: There is bipartisan agreement that changes to immigration laws should occur, but political parties differ on the priorities. Congress is in a partisan battle over President Obama's executive actions. Given that Washington is now in a Presidential election year and a fight over who will control the Senate, immigration reform will not be addressed in 2016.

OPPOSE EXPANSION OF FEDERAL CONTROL UNDER THE CLEAN WATER ACT

NC counties call on Congress to require the U.S. Environmental Protection Agency (EPA) and U.S. Army Corps of Engineers (USACE) to withdraw the new “Waters of the U.S.” (WOTUS) rule and rewrite it in consultation and collaboration with state and local governments. NC counties own water quality systems and other infrastructure like roadside ditches, stormwater systems, green infrastructure and drinking water facilities that should be excluded from the WOTUS definition under the federal Clean Water Act. If left in place as is, this rule will substantially increase the cost of permitting and cause significant harm to farmers, businesses and landowners.

Relevant Committee – and the North Carolina Member of Congress serving on it:

- House Transportation and Infrastructure Committee – Representatives David Rouzer and Mark Meadows

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Talking Points:

- NC counties are deeply concerned about the far-reaching effects and unintended consequences of the EPA/USACE rule, as well as a flawed consultation process; an incomplete analysis of economic impacts; ongoing delays with the current permitting process; and inconsistent definitions implemented in different regions and by different federal agencies.

- As partners in protecting America's water resources, it is essential that state and local governments have input on the vast impact that a change to the definition of WOTUS will have on Clean Water Act requirements.

- We ask the NC Congressional Delegation to continue working for a repeal and rewrite of the rule that includes coordination with the National Association of Counties (NACo).

Background: In April 2014, the U.S. Environmental Protection Agency and the U.S. Army Corps of Engineers jointly released a new proposed rule that would amend the definition of “Waters of the U.S.” within the Clean Water Act and dramatically expand federal jurisdiction, and federal permitting authority, over waterways that have no direct nexus to federal waters, including ditches and wetlands. These changes will severely impact county permitting activities, and could also cause delays in upgrading and maintaining important county infrastructure such as storm water drainage ditches and emergency flood conveyance systems.

Several states are suing EPA/USACE and therefore a federal appeals court put a halt on implementation of the new rule until litigation is resolved. There are, however, ongoing congressional efforts to block the rule altogether, a move which NC counties support.

PRESERVE TAX-EXEMPT STATUS OF MUNICIPAL BONDS

Tax-exempt bonds were written in the first tax code in 1913 and are a well-established financing tool. They are predominantly issued by state and local governments, which are responsible for 75% of all public facilities and infrastructure. The interest exemption incentivizes investors to finance these securities. Without the exemption, the expense of financing capital needs will increase sharply, prohibiting the construction of many infrastructure projects and leading to additional state and local taxes.

Relevant Committees – and the North Carolina Members of Congress serving on them:

- House Ways and Means Committee – Representative George Holding
- Senate Finance Committee – Senator Richard Burr

Talking Points:

- 75% of all public infrastructure projects are built by state and local governments - municipal bonds are the primary financing tool used to provide that infrastructure.

- Municipal bond interest tax exemption ensures counties of all sizes have resources to provide essential public infrastructure such as schools, hospitals, public health facilities, jails, and parks and recreation.

- The exemption incentivizes investment in municipal bonds, while minimizing financing costs for state and local governments. This allowed state and local governments to finance more than $1.65 trillion of infrastructure investment from 2003-2012 through the tax-exempt bond market.

- If the municipal bond interest exemption did not exist during the 2003-2012 period, it is estimated the $1.65 trillion financed would have cost state and local governments an additional $495 billion of interest expense. If the 28 percent cap, as proposed by the President, were in effect, that additional cost to state and local governments would have been approximately $173 billion.

- This added expense would have prohibited the construction of many infrastructure projects and would have increased state and local taxes throughout the country.

- Our nation's economic prosperity depends on the ability of state and local governments to meet their citizens' infrastructure needs. This ability has already been strained by the decreased amount of federal funds flowing to states and localities. Now is not the time to create more obstacles to infrastructure financing.

Background: Tax-exempt bonds were written in the first tax code in 1913 and are a well-established financing tool. They are predominantly issued by state and local governments for governmental infrastructure and capital purposes. According to the Congressional Budget Office, an estimated 75 percent of public funding for transportation and water infrastructure is supplied by state and local governments. Additionally, debt issued for capital projects helps county governments pay for public needs such as the construction or improvement of schools, hospitals, public health facilities, jails, and parks and recreation. The municipal bond tax-exemption represents a fair allocation of the cost of projects between federal and state/local levels of government.

Through the use of tax-exempt municipal bonds, state and local governments invested 2.5 times more in infrastructure than the federal government. Between 2003 and 2012, counties, localities, states and state/local authorities invested $3.2 trillion in infrastructure through tax-exempt municipal bonds. It is estimated that if municipal bonds were fully taxable at the time, the financing for the 21 largest infrastructure projects would have cost state and local governments an additional $495 billion of interest expense. If the 28 percent cap were in effect, the additional cost to state and local governments would have been approximately $173.4 billion. Americans, as investors in municipal bonds and as taxpayers securing the payment of municipal bonds, would have been crippled with this burden.

The President has proposed before a 28 percent cap on the benefit of exemption, and eliminating or capping the tax-exempt status of municipal bonds has also surfaced as part of congressional tax reform proposals. Deficit reduction efforts have already resulted in cuts in aid to local governments from the states and reduced funding in federal programs that benefit counties. Any federal savings from proposed changes to municipal bonds will not offset the economic strain the federal government will be forcing on state and local governments, and local taxpayers, if this low-cost, market-driven means of financing public needs on the local level is removed.

SUPPORT INCREASED FUNDING FOR MILITARY AND VETERANS PROGRAMS, INCLUDING IMPACT AID AND SUPPORT SERVICES FOR VETERANS

North Carolina is proud to be one of the most military and veteran friendly states in the nation. With that distinction, however, also comes responsibility to care for the men, women and their families while they bravely serve and when they return. NC counties cannot afford to bear that responsibility alone.

Relevant Committees – and the North Carolina Members of Congress serving on them:

- House Appropriations Committee – Representative David Price
- House Armed Services Committee – Representative Walter Jones
- Senate Veterans Affairs Committee and Senate Armed Services Committee – Senator Thom Tillis

Other committees may be relevant depending on the group of veterans that any piece of legislation targets for assistance. For example, programs for job training and placement would fall under the jurisdiction of Education and Workforce Development, whereas special transportation services would be under Transportation and Infrastructure. As legislation that NCACC supports becomes available, the list of relevant committees and NC Members who serve on them will be updated.

Talking Points:

- North Carolina is home to the 3rd largest U.S. military installation in the world. Counties provide many of the services needed by military families as many of these families live off post, attend off-post schools and seek medical care from county hospitals.

- DOD reductions will drain human capital, economic activity and tax revenues from many NC counties. Current federal government policies regarding Impact Aid to communities affected by a large federal presence are not suited to assist during a reduction in military force.

- A 2013 Harvard study indicates that the Iraq and Afghanistan conflicts will ultimately cost the United States $4-$6 trillion. Of those costs, the single biggest category of accrued liabilities is associated with long-term medical care and disability payments to veterans.

- The VA and DOD will be under enormous budgetary pressure in the coming years and decades; a shift to counties to carry alone the weight of veterans' services and care must be avoided.

- NC counties support maximum funding for Impact Aid and programs like it that recognize the federal-local shared responsibility in providing services that support our nation's heroes.

Background: The U.S. military is undergoing a significant metamorphosis driven by national fiscal constraints. The changes underway are re-shaping the military, with a large component of that change occurring in the number of uniformed members. With an estimated target of between 400,000 and 450,000 uniformed members by the end of the decade, the military will involuntarily separate tens of thousands of members in the coming years. Those newly unemployed individuals and their families will be forced to make career and life choices, some of which they had not expected to encounter for years to come. For those members without clear direction, the communities in which they currently reside could remain their home regardless of whether the community's economy is sufficient to support the newly unemployed. Military families and veterans also often remain in the state after retirement from service because of the superior facilities and access to care.

Additionally, studies show that members of the military who participated in the Iraq and Afghanistan campaigns represent an enormous accrued financial liability to the U.S. One half of all discharged members who served during this time period (783,623 of 1.56 million as of September, 2012) have filed disability claims, with less than 2% being denied. It is estimated that one third of returning veterans are diagnosed with mental issues which can manifest themselves as anxiety, depression, PTSD, attempts at suicide, etc. The services due these individuals will be a major focus of the federal government in the coming years and decades. However, if the drawdown further taxes the federal capabilities, or distracts the government from the needs of these individuals, local communities stand to bear the brunt of that oversight.

Since 1950, Congress has provided financial assistance to military-impacted local education agencies (LEAs) through the U.S. Department of Education Impact Aid Program. Impact Aid was designed to compensate local school districts that have lost property tax revenue due to the presence of tax-exempt federal property, including military installations, or that have experienced increased expenditures due to the enrollment of federally connected children, such as military and Indian students. The Department of Defense plays no part in the development, determination, or distribution of resources. Although Impact Aid is an important source of funding for LEAs, it does not cover the full cost of educating military students.

SUPPORT FULL FUNDING OF THE LAND AND WATER CONSERVATION FUND (LWCF) AND ITS STATE ASSISTANCE PROGRAM

The LWCF is paid for with fees and permits from Outer Continental Shelf drilling. A portion of these funds are reinvested in state and local parks and outdoor recreation through the State Assistance Program. Even though the LWCF has a dedicated funding source, it receives far less annually than authorization levels allow because the funding is diverted to other purposes outside of what the law intended. NC counties welcomed the FY16 increase in federal funding for “stateside” and support maintaining that funding level again in FY17.

Relevant Committee – and the North Carolina Member of Congress serving on it:

- House Appropriations Committee – Representative David Price

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Talking Points:

- Thank Senator Burr for being instrumental in pushing for the three-year reauthorization of the LWCF as part of the FY16 omnibus bill, and for the increased funding for the State Assistance Program (SAP).

- The State Assistance Program is the only federal program supporting state and local parks and outdoor recreation, thus NC counties welcomed the FY16 increase in federal funding for “stateside” and support maintaining that funding level again in FY17.

- Although the LWCF, and thus the SAP, is paid for with fees and permits from Outer Continental Shelf drilling, both receive far less annually than authorization levels allow because the funds are diverted annually to other purposes outside of what the law intended. This practice should be stopped and full funding of LWCF restored.

- NC counties ask that Congress work to maximize funding for the State Assistance Program.

Background: Celebrating 50 years in September 2014, the Land and Water Conservation Fund (LWCF) historically has been a bipartisan commitment to safeguard national parks, national wildlife refuges, national forests, rivers and lakes, community parks, trails, and ball fields in all 50 states. It was established to replace the depletion of natural resources in one area by expanding conservation elsewhere. Every year, the authorized level of $900 million in royalties paid by energy companies drilling for oil and gas on the Outer Continental Shelf (OCS) are put into this fund. Although the money is intended for conservation and public outdoor recreation purposes, Congress annually diverts nearly half of this funding to other uses. (FY16 funding was $450 million.) This needs to be corrected and the funds retained in the LWCF account so that they are dedicated as intended.

LWCF's State Assistance Program (i.e. "stateside") provides matching grants to help state and local communities protect parks and recreation resources. From wilderness to trails and neighborhood playgrounds, this 50/50 matching program has enabled $3 billion in LWCF grants to states to be leveraged for more than $7.5 billion in non-federal matching funds over the life of the program. It is the primary federal investment tool for state and local open space and has benefited nearly every county in America, but could do more in NC if adequate funding was available for the program overall. The National Park Service reports the unmet need at the state level alone is $27 billion, yet federal funding levels for "stateside" have been unpredictable and the average annual appropriation has been far less than other programs within the LWCF. However, FY16 proved to be the exception to the rule with the "stateside" receiving a 3-year extension and the highest levels of funding received since 2002. NC's Senator Burr was instrumental in making these two major accomplishments happen.

LWCF and the public lands it protects are critical to an outdoor recreation industry that contributes $646 billion to the U.S. economy. Even during times of economic downturn, outdoor tourism, hunting, and fishing are a robust sector that supports more than 6 million non-exportable American jobs. Active outdoor recreation is also an important part of the North Carolina economy. The Outdoor Industry Association has found that active outdoor recreation generates $19.2 billion annually in consumer spending in North Carolina, supports 192,000 jobs across the state that generate $5.6 billion in wages and salaries, and produces $1.3 billion annually in state and local tax revenue. Further, the U.S. Census reports that over 3.4 million people hunt, fish or watch wildlife in North Carolina each year, spending $2.7 billion on wildlife-related recreation.

SUPPORT THE FIELD EMS INNOVATION ACT

NC counties support legislation (H.R. 2366) that amends the Public Health Service Act to designate the Department of Health and Human Services (HHS) as the primary federal agency for emergency medical services (EMS) and trauma care. It also establishes the Office of EMS and Trauma within HHS; gives the agency responsibilities related to EMS; and creates a grant program to improve field EMS agency readiness and field EMS education programs.

Relevant Committees – and the North Carolina Members of Congress serving on them:

- House Energy and Commerce – Representatives G.K. Butterfield, Renee Ellmers and Richard Hudson
- House Committee on Ways and Means – Representative George Holding
- Senate Health, Education, Labor and Pensions (HELP) Committee – Senator Richard Burr

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Talking Points:

- This legislation had bipartisan support in the 113th Congress and passed the Senate with Sen. Burr voting in favor of it.
- NC counties ask the state's House Members to co-sponsor and pass H.R. 2366 and the state's Senators to consider introducing a companion bill.
- In many areas of the nation, EMS services are highly fragmented, poorly equipped and insufficiently prepared for day-to-day operations, let alone natural or man-made major disasters; the lack of state and federal funding for EMS is one of the key challenges.
- While fire and police first responders have several targeted federal support programs, there is no dedicated federal funding stream for field EMS to ensure its capacity to respond to medical emergencies as part of a coordinated emergency care system.
- The bill would, among other things, recognize HHS as the primary federal agency for EMS and Trauma Care, consolidate certain programs within HHS into an Office of EMS and Trauma, require a long overdue federal strategy, and create an EMS focused grant program -- all without adding to the federal deficit.

Background: The Field EMS Quality, Innovation and Cost-Effectiveness Improvement Act, also known as the "Field EMS Bill," was first introduced in the U.S. House of Representatives in 2011. Its purpose was to provide a path toward the vision outlined by the 2006 Institute Of Medicine report, *Emergency Medical Services: At the Crossroads*, which identified systemic problems in EMS and noted that the lack of federal support was a factor. The legislation would establish a federal agency office, consolidate programs, and develop a federal strategy, as well as foster improvements in innovation, cost effectiveness, quality and accountability. The legislation would also establish an Emergency Medical Services Trust Fund to be funded by voluntary contributions made by taxpayers when filing their federal income tax forms for the purpose of funding the initiatives provided in this legislation.

SUPPORT LEGISLATION TO END HUMAN TRAFFICKING

According to the U.S. Government, thousands of women, men and children are trafficked to the United States for purposes of sexual and labor exploitation. An unknown number of U.S. citizens and legal residents are trafficked within the country, too, and the State of North Carolina is no exception. NC counties support legislation that takes action against human trafficking.

Relevant Committees – and the North Carolina Members of Congress serving on them:

- Senate Health, Education, Labor, and Pensions Committee – Senator Richard Burr
- Senate Judiciary Committee – Senator Thom Tillis

Talking Points:

- NC counties applaud Congress for the measures already passed and ask that the North Carolina Congressional Delegation continue to address this issue through policy and with federal funding resources to assist counties.

- Modern day slavery and the sex trade occurs in the US, and has become a $28 billion dollar industry, rivaling drug trafficking.

- The U.S. Children's Bureau awarded NC as one of five grants, in our state's case to support the Partners Against Trafficking of Humans in NC, a non-profit founded in 2011 after working to raise awareness of the issue since 2008. One of the fundamental outcomes of this grant is sustainability in preventing human trafficking of the child welfare population and improving the outcomes for victims.

- NC counties are significant stakeholders as they determine initiatives and set budgets for local communities.

- NC counties support an advisory council composed of trafficking survivors to review federal human-trafficking policy.

Background: Congress passed a series of bills in 2015 that increased government efforts to reduce human trafficking by creating policies to find and protect victims of sex trafficking and to make it easier to prosecute offenders. At least 100,000 children are victims of human trafficking prostitution in the U.S. every year. Many Members of Congress have cited a much larger number, saying close to 300,000 minors are affected annually. Because of the secrecy by those affected, it is very difficult to estimate an accurate number.