

# America is Strong When Local Economies are Strong

Local leaders are on the frontlines and leading America's cities through some of the nation's biggest challenges. NLC is a partner and resource to municipalities nationwide in building thriving and resilient communities.

#### WHO IS NLC?

The National League of Cities is a nonpartisan membership association serving as the voice of America's 19,000 cities, towns and villages. NLC is the leading advocate and resource for local government. NLC works with Congress and the Administration to ensure partnership with local governments and to emphasize the importance of local voices in federal policy.

#### **ABOUT NLC MEMBERSHIP**

The National League of Cities represents communities of all sizes — from small, rural communities and towns to the largest cities and metropolitan suburbs.

75%

of NLC's membership is made up of communities with populations of

5,000 and below

TOP LOCAL PRIORITY ISSUES FOR CITY LEADERS



Budget & Management



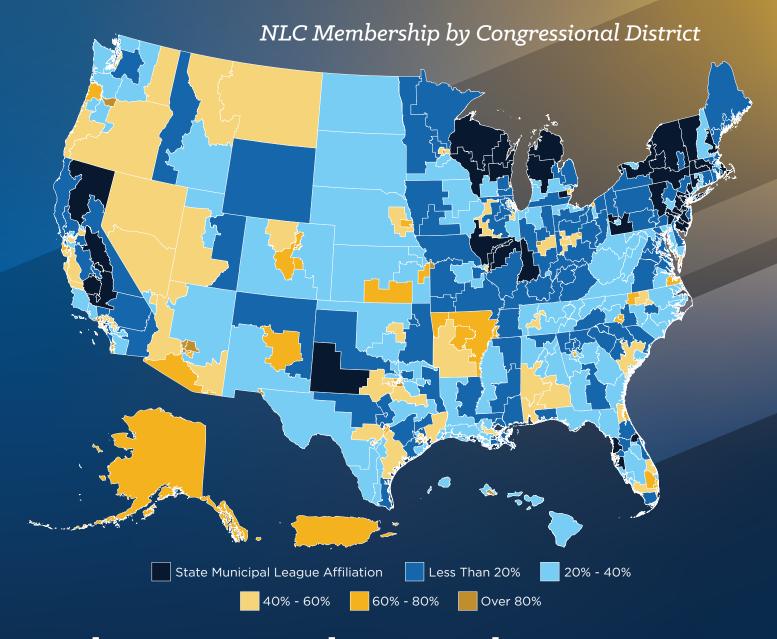


Economic Development





**Source:** NLC's State of the Cities 2023 Report. To access the full report, please visit www.nlc.org/resource/state-of-the-cities-2023/



## What to Know About Local Governments & Their Economies

Almost all local governments are required to balance their budgets every year. On average, local leaders are conservative in spending, committed to building safety net funds and diversifying their revenue sources while capitalizing on federal funding opportunities.

Local governments embrace cautious budgeting: This cautious approach in 2023 yielded increased reserves and limited spending, demonstrating that local governments remain good stewards of public dollars.

Local governments better able to weather inflation: Despite the challenge of inflation, in 2023 the average city experienced more than a six percent increase in general fund revenues. Now with inflation more manageable, cities are reaping some benefits of lower inflation.

Federal aid had a positive Impact on city budgets: Direct federal aid through the American Rescue Plan Act (ARPA) and the Bipartisan Infrastructure Law was among the factors that had a positive impact on cities' ability to balance their 2023 budgets.

## NLC's Federal Action Agenda

NLC is committed to raising the voice of local leaders on federal policies and supporting federal legislation that recognizes and strengthens the role of a local-federal partnership. Our priorities, shaped by NLC members, include working with Congress and the Administration to:

## INCREASE HOUSING SUPPLY AND STABILITY

- Support direct funding for local governments to accelerate housing development including CDBG, HOME, and the Housing Trust Fund.
- Support housing stability programs for residents in distress including Housing Choice Vouchers, Emergency Solutions Grants Program, Rural Housing Programs; and enact the Eviction Crisis Act.
- Make cities and towns of all sizes eligible for capacity building, technical assistance, and pre-development programs like the Thriving Communities initiative and the "Yes In My Backyard" competitive grant program.
- Support grants and tax-credits for affordable and public housing improvements including cost-saving energy-efficiency improvements and expanded access to broadband.

## MAKE GOVERNMENT WORK FOR ALL COMMUNITIES

- Support legislation that ensures communities of all population sizes can access and take advantage of grants authorized by federal legislation.
- Support bipartisan efforts to push for legislation that would ease the federal compliance burden related to federal grants management and compliance for cities, towns, and villages.
- Support legislation that would build the capacity of small, mid-sized, and rural and disadvantaged communities through federal grant opportunities for planning, pre-development and technical assistance.

#### SUPPORT LOCAL ECONOMIC GROWTH AND OPPORTUNITY

- Support local priorities for Federal Aviation
  Agency reauthorization including: bolster
  compatible airport development programs, make
  airport improvement funding sustainable,
  embracing regional aviation innovation, and keep
  up essential airport connections.
- Support extension of the Affordable Connectivity Program to ensure residents can maintain access to affordable broadband services.
- Support local priorities in the Farm Bill reauthorization, including for rural development, local foods and nutrition and conservation programs.
- Support reauthorization of the Economic Development Administration, including funds for pre-development grants.
- Support reauthorization of the Brownfields
   Program to help redevelop properties and make land in communities usable.
- Support communities that have been devastated or impacted by natural disaster by advocating for recovery funding to be more readily available and easier to access.

## PREVENT FEDERAL OVERREACH OF LOCAL GOVERNMENTS

- Engage in the rule making process with federal agencies to ensure that a law that will impose an unfunded mandate on cities, towns and villages has the best possible outcome for municipalities.
- Maintain stability of government operations by protecting existing levels of federal funding programs and opposing any legislative claw backs to minimize disruptions in local governance and advocate for federal funding for local programs.
- Protect local governments from unreasonable liability by advocating for liability protection for municipal drinking water, wastewater and stormwater utilities, landfills and solid waste facilities, airports and fire departments.
- Strengthen the intergovernmental partnership between the federal government and municipalities to ensure local authorities are protected and avoid undue costs and burdens.

## SUPPORT A LOCAL WORKFORCE PIPELINE

- Support funding for the RECOMPETE Pilot
  Program, which will provide funding to
  persistently distressed communities to develop
  and implement 10-year economic development
  strategies and create jobs.
- Support and invest in sector partnerships to connect local workers to careers in local industries that have significant hiring needs and expected growth, including municipal workforces and expand access to work visas.
- Support investments in direct workforce funding, including the reauthorization of the Workforce Innovation and Opportunity Act (WIOA) and National Apprenticeship Act.

#### BUILD SAFE & HEALTHY COMMUNITIES

- Support programs that provide direct, flexible funding to cities for substance use, mental health and community violence strategies, including attracting and retaining a diverse public safety workforce.
- Support the long-term reauthorization of the National Flood Insurance Program.
- Support local climate action and the reauthorization of the Energy Efficiency and Conservation Block Grant.

## Stewardship & Partnership

The passage of key federal legislation, including the Bipartisan Infrastructure Law, Inflation Reduction Act, CHIPS and Science Act, and the American Rescue Plan Act in recent years directed critical funds to local communities. The impact of federal dollars going directly to local governments has been monumental.

#### AMERICAN RESCUE PLAN ACT

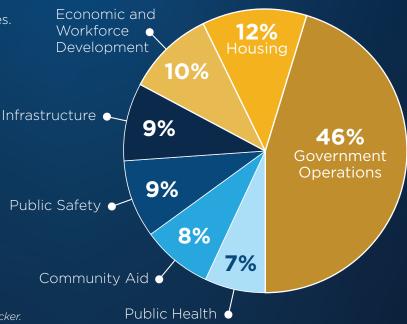
20,000+

awards granted to cities, towns and villages.

68%

of ARPA funding has been allocated by local governments, on average across tier 1.

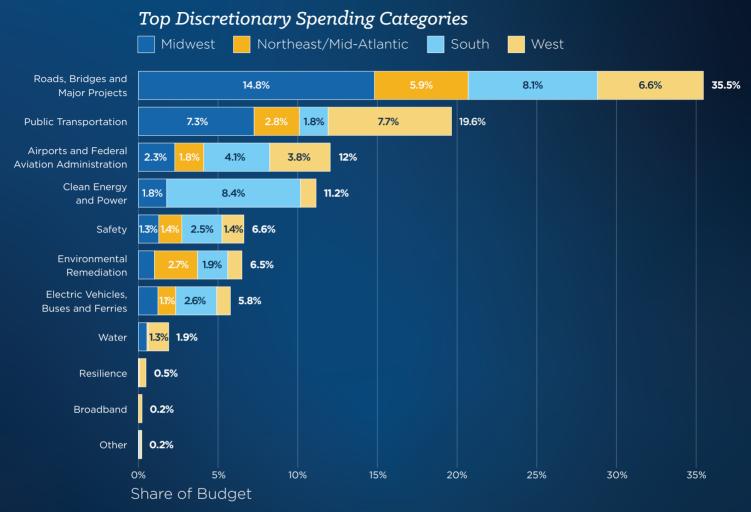
Among local governments with populations of 250K and above, American Rescue Plan Act dollars were allocated to the following categories:



**Source:** The Local Government ARPA Investment Tracker. For more information, please visit www.nlc.org/resource/local-government-arpa-investment-tracker/

#### **BIPARTISAN INFRASTRUCTURE LAW**

Since passage of the Bipartisan Infrastructure Law, more than 1850 local governments have been awarded federal grants through the law. These funds have impacted more than 100 million residents across the country.



Check out the latest data at: www.nlc.org/resource/rebuilding-america-tracking-federal-investment-in-local-infrastructure-projects/

## TECHNICAL ASSISTANCE THROUGH LOCAL INFRASTRUCTURE HUB

NLC provides technical assistance to local governments, connecting them with resources and experts to access federal infrastructure funding.

#### \$83 MILLION

in Awards Won by Local Infrastructure
Hub Participants

## Hub Participants

757

Total Participants

#### MOST POPULAR BOOTCAMPS

Building Resilient Infrastructure &

Communities

Drinking Water State Revolving Fund

Safe Streets and Roads for All

Bootcamps are free trainings offered for available competitive federal grant programs. For more information on this initiative, please visit: www.nlc.org/initiative/local-infrastructure-hub-initiative/



#### ADDITIONAL RESOURCES FROM NLC



#### **CONNECT WITH NLC**

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