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# Nevada Association of Counties (NACO) Federal Priorities

### **Health & Human Services**

- Medicaid: NACO supports measures that enhance flexibility in the Medicaid program to support local systems of care, and urges Congress to protect the Federal-State-Local Partnership Structure for Financing and Delivering Medicaid Services. County long-term care facilities, public health departments and hospital systems play a critical role in the Medicaid delivery system. Counties also provide nonfederal match to pay for the State's Medicaid program. Therefore, counties' ability to put up local matching funds and to receive targeted supplemental payments should be preserved. NACO opposes efforts to block grant, cap or otherwise cut Medicaid, as this would further shift costs to counties and reduce their ability to provide for the health of their residents.
- Improve Health Services for Justice-Involved Individuals: NACO supports collaborative programs between the health, human services and justice sectors—such as those made possible by the Mentally Ill Offender Treatment and Recovery Act (MIOTCRA)—that can help reduce the percentage of individuals in jails whom have a mental illness. NACO also supports the extension of Medicaid to individuals detained in county jails pending disposition of charges and the suspension, instead of termination, of benefits during the incarceration period. States refuse to assume the federal share of providing Medicaid services to eligible persons in county custody, terminating benefits and even eligibility. As a consequence, the entire cost of medical care for all arrested and detained individuals falls to the counties (note: this policy is regarding individuals that have not been convicted and are presumed innocent).
- Reauthorize and Fund the Older Americans Act (OAA): Nevada's demographics are such that we have one of the fastest growing senior populations in the U.S., and many of the services that seniors use are provided by counties. NACO supports reauthorizing the OAA with expanded program flexibility to distribute among nutrition programs; and supports increasing authorization and appropriations levels for all programs funded by the Act. Under the U.S. Department of Health and Human Services, many OAA programs, especially nutrition services, are cost effective investments to communities, but have remained at the same funding level for years despite increased demand.



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## **Mental Health and Jails**

NACO supports measures that maintain funding for the Substance Abuse and Mental Health Services Administration (SAMHSA) block grants, fully implement and expand mental health parity, ease the Institute of Mental Disease (IMD) exclusion, expand access to health information technology (HIT), and develop and expand the behavioral health workforce. NACO also supports programs and legislation to support local efforts to reduce mental illness in jails and provide appropriate treatment to those in custody. County jails are not the appropriate place to treat individuals with mental illness, and such individuals should be diverted from county jails whenever possible. NACO also supports the reauthorization of the Mentally Ill Offender Treatment and Crime Reduction Act (MIOTCRA) as well as new federal legislation to support local efforts to reduce mental illness in jails and to treat those with mental health issues while incarcerated.

### **Environment**

- Waters of the U.S. Rulemaking: NACO believes that local streets, gutters and human made ditches should be excluded from the definition of "Waters of the U.S." (WOTUS) under the federal Clean Water Act and calls on Congress to require the U.S. Environmental Protection Agency and U.S. Army Corps of Engineers to withdraw the new WOTUS rule and rewrite it in consultation and collaboration with state and local governments.
- County Water/Wastewater Infrastructure Needs: NACO supports funding and regulatory relief for clean water and drinking water systems. This could include support for the Clean Water and Drinking Water State Revolving Fund Programs and/or other types of funding programs in the water/wastewater realm and/or regulatory programs such as those for stormwater management. This includes commonsense approaches that balance environmental protection and cost-benefit considerations, while promoting water affordability.

# **Transportation**

- As the Surface Transportation Legislation is implemented, NACO supports continuing to advocate for counties' interests throughout the rulemaking process.
- NACO supports funding for current and future phases of I-11, including into Northern Nevada. The connection of the two largest cities in the Southwest through this Interstate, as well as the future connection to I-80, will provide a substantial economic benefit to Nevada and Nevada's counties.

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## **Public Lands**

- **Public Land Management:** As Nevada's Congressional Delegation is aware, Nevada has the largest percentage of federal lands (87%) of any state, and some of our counties (Nye, Esmeralda, Lander, Lincoln and White Pine) have over 90 percent of their total county acreage administered by the federal government. As a result, Nevada's counties find their local economies, fiscal condition, and quality of life influenced considerably by federal land management decisions. Counties are concerned that federal policies and lack of resources have rendered the agencies unable to properly maintain and administer our public lands. It is for these reasons that NACO supports efforts to increase active resource management with maximum engagement of the affected county governments; appropriate revenue sharing; and the transfer of some federal land to states, at the state's request and in consultation with the counties. Also, NACO opposes the designation of national monuments made using the Antiquities Act without the support of the county government within which the monument is located.
- **Continued Full Funding of PILT (Payment in Lieu of Taxes):** PILT is also key to ensuring counties can fund the services they provide on Nevada's public lands. PILT compensates counties for tax-exempt federal land within their boundaries and, thanks to the work of Nevada's federal delegation, was fully funded for FY16.
- Fire Borrowing Funding Wildfire Response: NACO supports federal reforms to end the practice of "fire borrowing" and improve forest management and hazardous fuels management on federal lands. Fire borrowing occurs when the Forest Service takes funds away from forest health, fire prevention, and other management activities to help defray the increasing costs of fighting wildfires. Agencies are using up funds intended for forest management to fight even catastrophic wildfires, as opposed to being given emergency funds similar to what the Federal Emergency Management Agency is allowed to use for other natural disasters.
- The Public Lands Renewable Energy Development Act: Currently states and counties do not receive a share of the rental fees charged for solar and wind development on public lands. Passage of the Public Lands Renewable Energy Development Act (introduced as S. 1407 / H.R. 2663 in the 114th Congress) would change the incentives for renewable energy projects by sharing revenues and fees with counties and states. NACO supports the Act, which would replace the current rental fee system for renewable energy projects on public lands with a new royalty-based fee system that allocates 25% of the revenues generated by wind and solar energy projects to the counties where projects are sited. The additional revenue that this Act would generate for counties would help support county operations impacted by energy development including capital improvement projects; road maintenance; public safety and law enforcement; and conservation easements.

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# **County Financing and Funding**

- ITFA & Marketplace Fairness: NACO opposes efforts by any industry seeking to create its own special immunity from state and local taxation. Industry examples of recent legislative initiatives seeking to preempt state and local taxing authority include wireless, rental car and online travel companies. In addition, NACO supports efforts that preserve and enable state and local governments to exercise their tax authority. NACO is concerned about the extension of ITFA, the Internet Tax Freedom Act, in its current form ITFA exempts internet services from local taxation. NACO is also concerned with the lack of momentum on Marketplace Fairness Act legislation that would allow the collection of existing sales taxes on out-of-state catalog and online sales. NACO supports legislation to permit the collection of existing sales and use taxes from remote sellers. The issue of taxing remote sales has compounded in recent years due to the extraordinary development of the Internet as a retail marketplace. As a result, state and local governments have lost billions in uncollected sales taxes and Main Street businesses find themselves at a significant competitive disadvantage to various online sellers.
- Municipal Financing & the Tax Exempt Status of Municipal Bonds: NACO supports the preservation of the federal deductibility of local property and income taxes and the tax-exempt status of municipal bonds. Municipal bonds provide critical funding for public facilities, infrastructure and development. Provisions like the tax exemption for municipal bond interest have been part of the federal tax code for over 100 years, helping finance more than \$3.7 trillion in public works projects. Furthermore, NACO urges the federal government to fulfill its obligations, such as providing previously guaranteed subsidy payments for Build America Bonds, and avoid any actions that would negatively impact county financing.
- *Unfunded Mandates and Preservation of County Revenues:* NACO opposes any new unfunded mandates and federal initiatives that fail to protect county revenues. In addition, NACO supports efforts to reform the lands in trust process to include the protection of county interests, such as jurisdiction and property tax revenues.
- Maintain Funding for the Community Development Block Grant (CDBG) Program: The U.S. Department of Housing and Urban Development CDBG program has been cut by \$1 billion since FY 2010. NACO supports increased CDBG formula funding levels in FY 2017.



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## **Telecommunications**

- Reauthorization of the Telecommunications Act: As the Telecommunications Act of 1996 is updated, NACO supports protecting local authority, including the right to manage the public rights-of-way, authority over the placement, construction and modification of personal wireless services facilities and the ability to require fair and reasonable compensation from telecommunications providers for use of the public rights-of-way.
- **Broadband Deployment and Adoption:** NACO supports legislation and administrative policies that help counties attract broadband services regardless of population or technology used. This includes legislation that provides tax credits to telecommunications providers that develop broadband in rural and under-served communities, and provides for broadened eligibility and additional federal agency loan authority or extension of credit to telecommunications providers that deploy broadband in rural communities