

# Maryland GFOA Federal Legislative Update



**Government Finance Officers Association**

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# Federal Advocacy

- Congressional Advocacy
  - Tax exempt municipal bonds
  - Deductibility of state & local taxes
  - Municipal Market Disclosure Advocacy
  - Pensions & Benefits
- Executive Advocacy
  - SEC
  - MSRB
- Amicus Briefs to the Supreme Court



# Legislative/Regulatory Advocacy



CARES ACT  
**CONGRESSIONAL  
OVERSIGHT  
COMMISSION**



- Outreach to Federal Partners
  - Members of Congress
  - Securities and Exchange Commission (SEC), Municipal Securities Rulemaking Board (MSRB), Internal Revenue Service (IRS), Federal Emergency Management Agency (FEMA)
  
- Outreach to our Membership
  - Coronavirus Relief Fund Weekly Calls (Mondays)
  - Week in Washington (Fridays)
  - Committee Outreach (Wednesdays)
  
- Outreach to our Sister Associations
  - Public Finance Network

# Public Finance Network

## *The Big Seven*

1. National Governor's Association
2. US Conference of Mayors
3. National Association of Counties
4. National League of Cities
5. ICMA
6. Council of State Governments
7. National Conference of State Legislatures

## *The Financial Four*

8. National Association of State Treasurers
9. National Association of State Budget Officers
10. National Association of Comptrollers, Auditors and Treasurers

## *Housing*

11. National Association of Local Housing Finance Authorities
12. National Council of State Housing Agencies

## *Conduit Issuers*

13. National Association of Health & Educational Facilities Finance Authorities
14. American Hospital Association

## *Public Works and Utilities*

15. American Public Gas Association
16. American Public Transportation Association
17. American Public Works Association

## *Water*

18. American Water Works Association
19. Association of Metropolitan Water Agencies
20. National Association of Clean Water Agencies
21. Water Infrastructure Network
22. National Water Resources Association
23. Water Reuse Association



## *Schools*

24. National Association of School Boards
25. National Association of College and University Business Officers
26. Association of School Business Officers
27. National Education Association

## *Power*

28. Large Public Power Association
29. American Public Power Association

## *All Other Partners*

30. The National Association of Towns and Townships
31. American Planning Association
32. American Society of Civil Engineers
33. International Economic Development Council
34. International Public Management Association for Human Resources
35. National Association of County and City Health Officials
36. National Association of County Community and Economic Development
37. National Association of Development Organizations
38. National Association of Regional Councils
39. National association of Resource Conservation and Development Councils
40. National Community Development Association
41. National Council on Teacher Retirement
42. National Association of State Retirement Administrators

# 2021 Congressional Activity



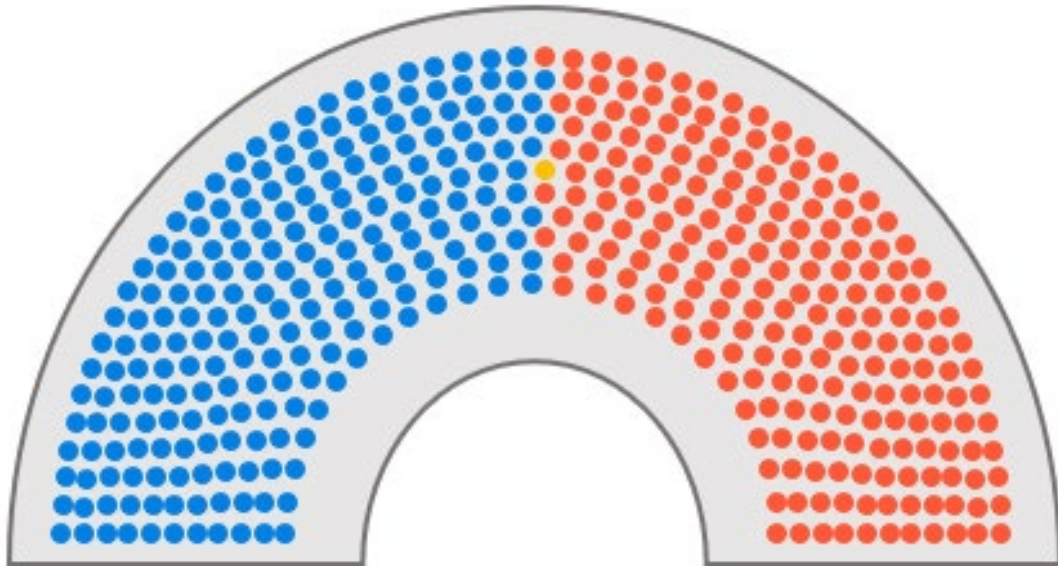
# The Coronavirus Response and Relief Supplemental Appropriations Act of 2021

- Relief funding
  - Coronavirus Relief Fund
    - Spend date extended to 12/31/2021
  - Transportation \$45B
  - Rental assistance \$25B
    - Extends moratorium on evictions
  - Education \$82B
    - Additional funds for Disaster Relief Funds
  - Unemployment Insurance \$120B
    - \$300 per week
  - Paycheck Protection Program \$284B

[Link to GFOA's  
CRRSAA Analysis](#)

# The 117<sup>th</sup> Congress

HOUSE



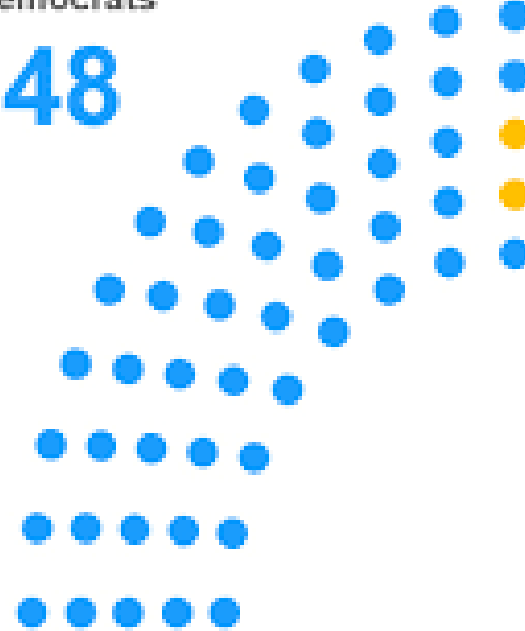
222

212

218 Votes for  
Majority

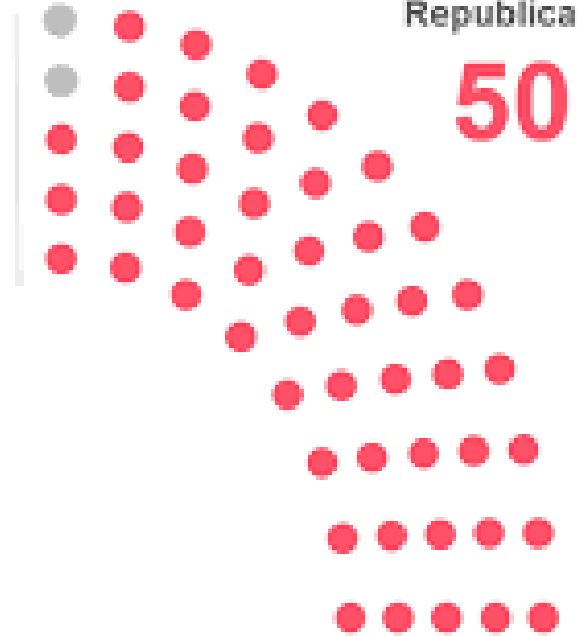
Democrats

48



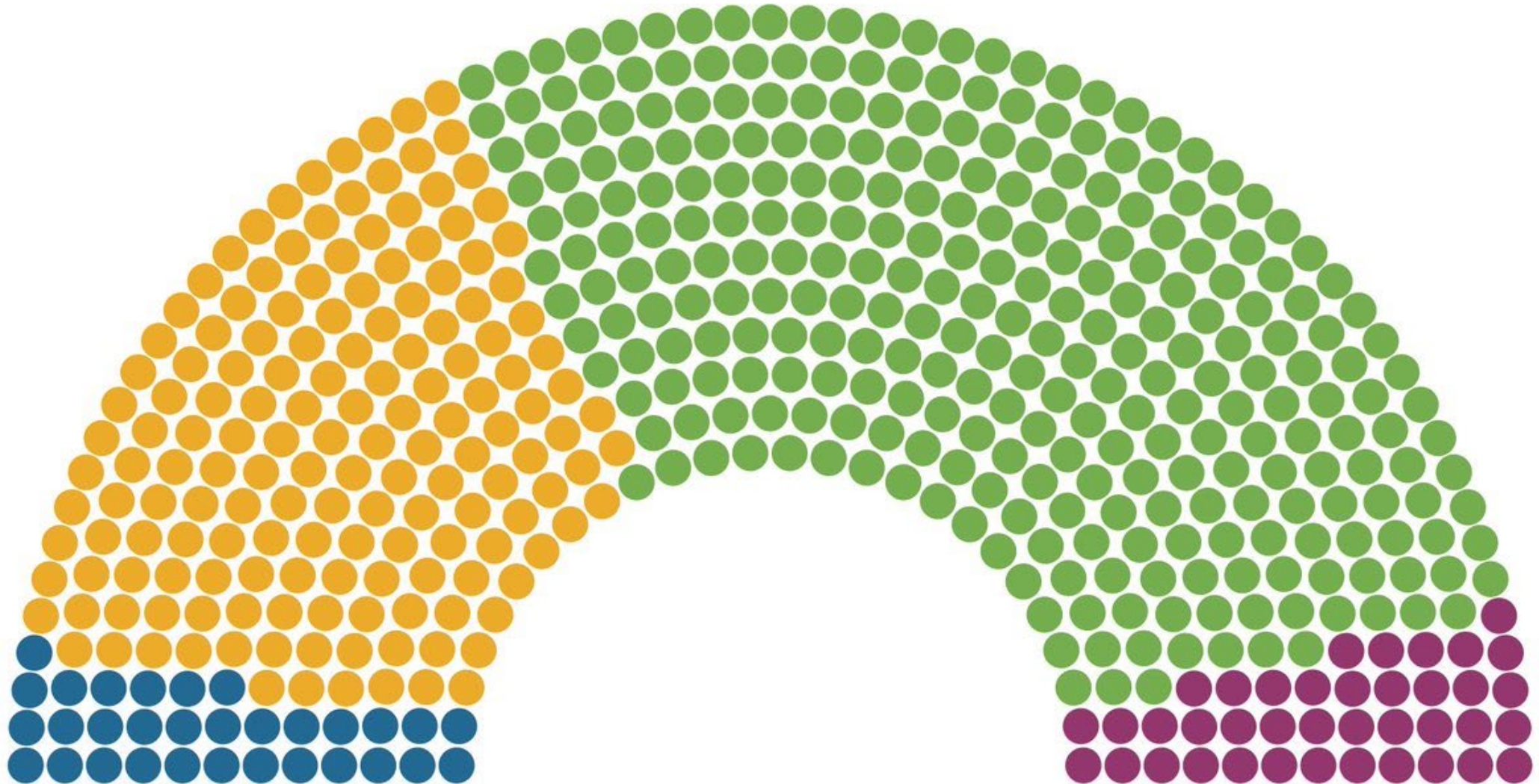
Republicans

50





# The 117<sup>th</sup> Congress

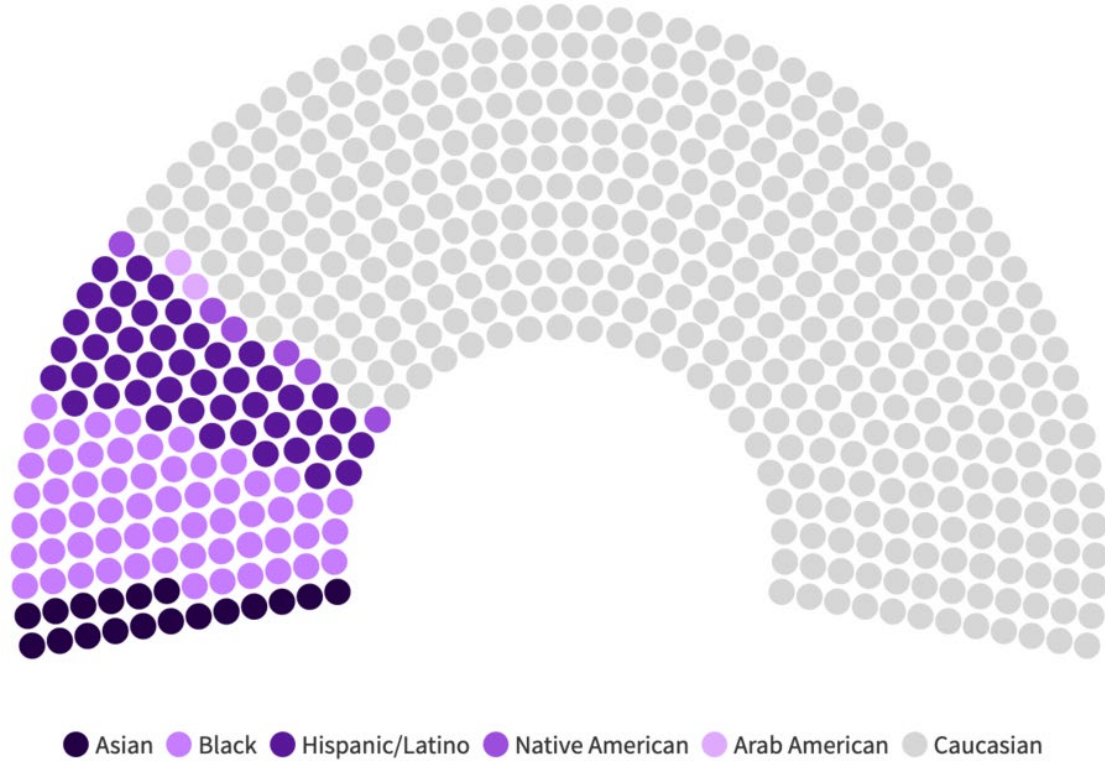


● Millennial ● Generation X ● Baby Boomers ● The Silent Generation



# The 117th Congress

## Racial breakdown of the 117th Congress



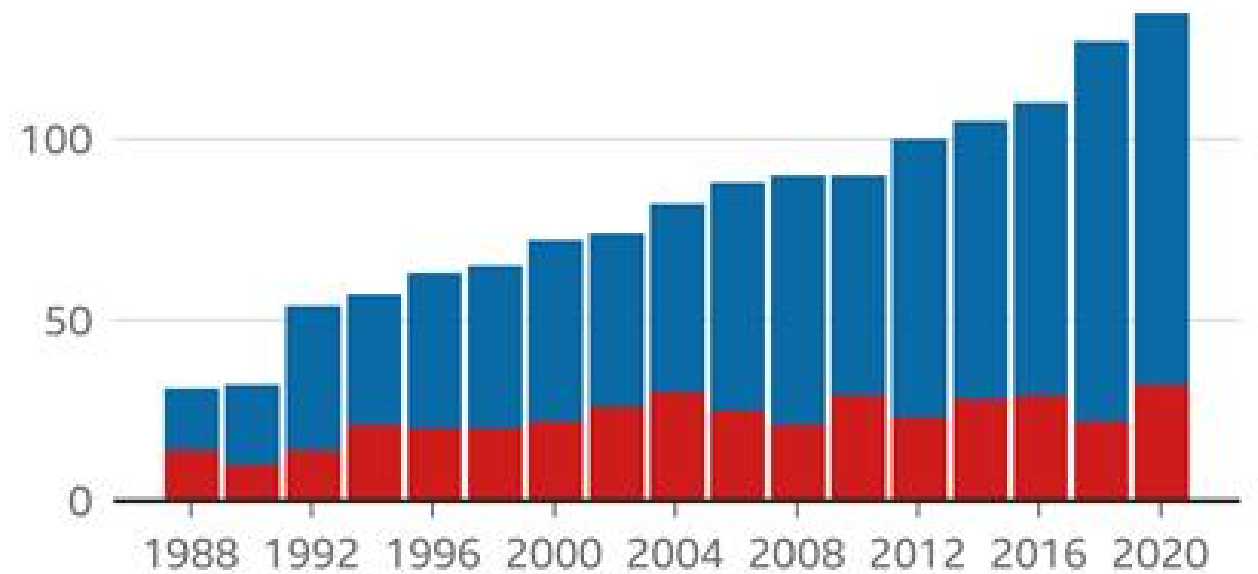
Source: The Hill analysis • Not all races have been called as of November 30, 2020

✿ A Flourish election chart

## Record year for women in Congress

Number of women serving in House and Senate after election

■ Republicans ■ Democrats



Source: Center for American Women and Politics



# Biden-Harris 2021 Administration



# Biden Executive Orders

January 22nd	Restores collective bargaining power and worker protections for federal workers, and lays the foundation for \$15 minimum wage
January 22nd	Directs FEMA to expand reimbursement to states to fully cover the cost for National Guard personnel and emergency supplies
January 21st	Directs the Department of Education and HHS to provide guidance for safely reopening and operating schools, childcare providers and institutions of higher education
January 21st	Requires mask wearing in airports and on certain modes of transportation, including many trains, airplanes, maritime vessels and intercity buses. International travelers must provide proof of a negative Covid-19 test prior to coming to the US
January 21st	Accelerates manufacturing and delivery of supplies for vaccination, testing and Personal Protective Equipment
January 20th	Stops the United States' withdrawal from the World Health Organization, with Dr. Anthony Fauci becoming the head of the delegation to the WHO
January 20 <sup>th</sup>	Extends the existing nationwide moratorium on evictions and foreclosures until at least March 31



**Janet Yellen**  
Treasury



**Marcia Fudge**  
Housing and Urban  
Development

- Mayor of Warrensville Heights OH
- Director-Office of Budget & Finance, Cuyahoga County
- Committee on Agriculture



**Pete Buttigieg**  
Transportation

- Former Mayor of South Bend IN
- Former presidential candidate
- Commented on advanced refunding during confirmation hearings



**Dutch Ruppersberger**  
House Muni Finance  
Caucus

- Chair of the Municipal Finance Caucus
- Sponsored bill restoring tax-exempt advance refunding bonds

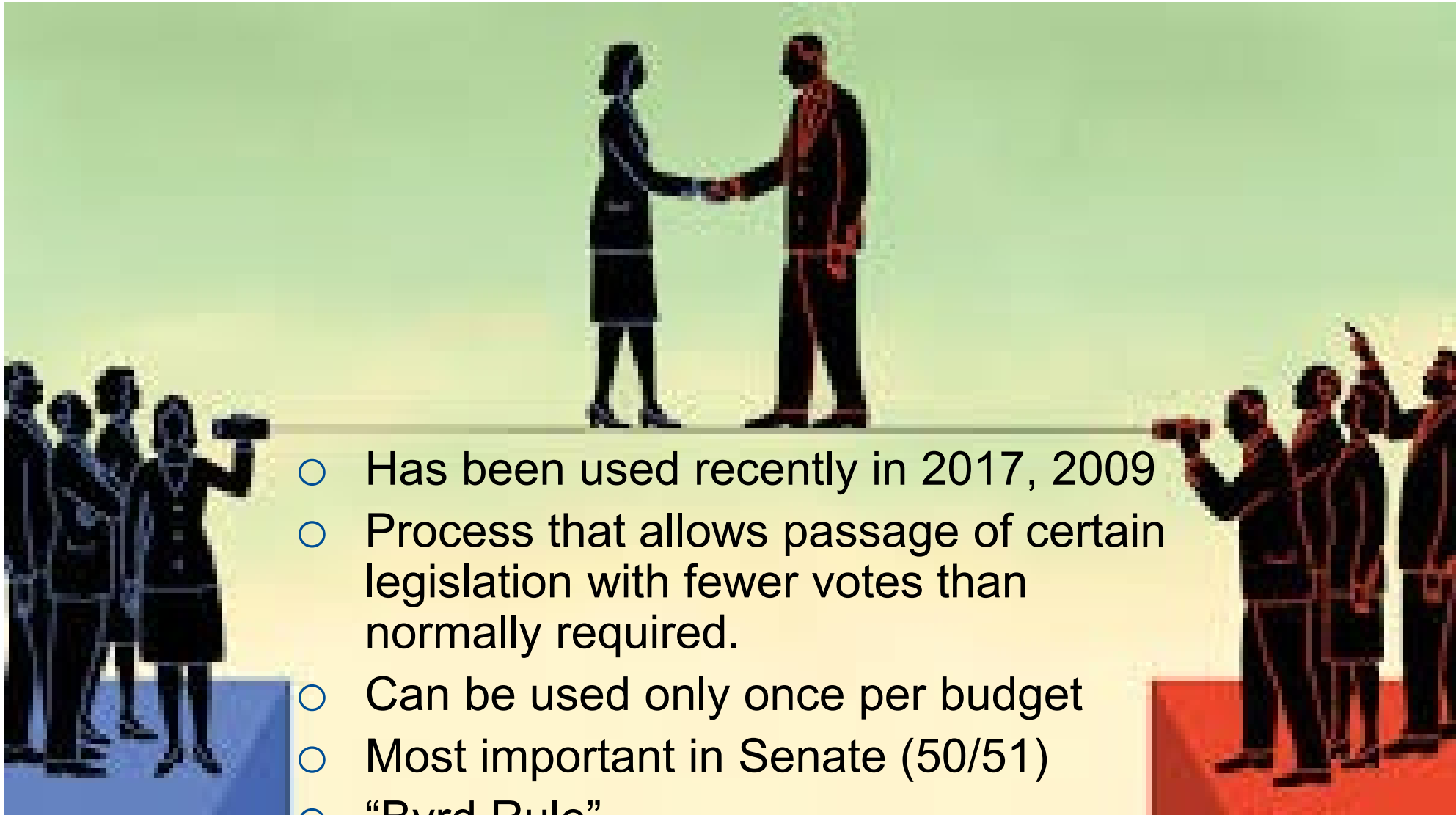
# BIDEN HARRIS

- \$1400 Direct payments to individuals
- \$350 billion for state and local governments
- \$130 billion for reopening schools
- Extension of augmented UI through September 2021 (\$400 per week)
- Expansion of child care credits
- \$25 billion to Emergency Stabilization Fund for child care providers
- \$15 billion for Child Care & Development Block Grant
- \$5 billion for homeless & at-risk
- Extend eviction moratorium & provide \$25 billion in rental assistance and \$5 billion in utility assistance
- \$30 billion into the Disaster Relief Fund
  - 100% federal reimbursement for “critical emergency response resources” to S&L gov’ts





# Reconciliation



- Has been used recently in 2017, 2009
- Process that allows passage of certain legislation with fewer votes than normally required.
- Can be used only once per budget
- Most important in Senate (50/51)
- “Byrd Rule”





# GFOA Priorities in 2021

# Federal Relief Aid

- New Congress, New Administration
  - Going big or going nowhere
  - Flexibility
  - Money for state and local governments
  - Focus?
- Price Tag?
  - \$1.9T for American Rescue Plan
  - More to come?

## How GFOA Priorities Fit

- Additional funding
  - GFOA members have made clear that more funds are a necessity, particularly for small & mid-size jurisdictions
- Guidance
  - The past year has shown that clear guidance is critical to effective financial management in an emergency

**Bottom Line: The new administration has maintained that the aid bill passed at the end of 2020 was a down payment and further legislation will be pursued.**

# The Municipal Bond Tax Exemption

- **Municipal Finance Caucus**
  - Champions for the municipal bond market in Congress
  - Founder/Chair: Rep. Dutch Ruppersberger
- **Market**
  - Resilient & robust muni bond market
- **Public Finance Network**
  - Strong & steadfast coalition

## How GFOA Priorities Fit

- Must preserve tax-exempt status
  - There is no finance tool capable of replacing the municipal bond
- Assumed threat
  - Too often the federal government turns to state and local governments for funding resources – the FLC remains prepared for defense.

**Bottom Line: The new administration has maintained that the aid bill passed at the end of 2020 was a down payment and further legislation will be pursued.**

***“we will make historic investments in infrastructure, along with manufacturing, research and development and clean energy.”***

- Momentum on Capitol Hill
  - INVEST Act
  - America’s Infrastructure Act
  - LOCAL Infrastructure Act
  - Secretary of Transportation
- Price Tag?
  - Nothing official
  - Going big or going nowhere
  - \$2 trillion (during campaign)

How GFOA Priorities Fit

- Advance refunding
  - Muni Finance Caucus
    - Investing in Our Communities Act
  - LOCAL Infrastructure Act
    - Sen. Wicker (R-MS)
- Bank Qualified Debt
  - Municipal Bond Market Support Act
    - Terry Sewell (D-AL)

**Bottom Line: There is an appetite for a comprehensive infrastructure bill. This kind of legislation can provide opportunities to spotlight value of GFOA legislative priorities.**



Thank you