



The Future of Our Hometowns and Our Nation

AN AGENDA FOR THE NATION



National League of Cities



About the National League of Cities

The National League of Cities is the nation's oldest and largest organization devoted to strengthening and promoting cities as centers of opportunity, leadership and governance. NLC is a resource and advocate for more than 1,600 member cities and the 49 state municipal leagues, representing 19,000 cities and towns and more than 218 million Americans.

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America's future is taking shape – right now – in the nation's cities and towns. To make it a better future for all Americans, we need to work together at all levels of government to find solutions to the critical challenges we face, from the economy and housing to health care and public safety.

These are national challenges – yet they are hometown challenges too. It is in America's cities and towns where the effects of today's biggest problems – from the national economic crisis to our broken immigration system – hit home. And it is in America's cities and towns where we will find solutions.

How can we create a better economic future for all Americans? How can we grow our local, regional, and national economies without leaving the climate and our environment at risk? How can we maintain and build the infrastructure that is the backbone of economy and communities? How can we best protect our citizens from crime and terror and other threats? How can we reform our health care system to improve access to care and reduce costs?

The next President and Congress will have to grapple with a host of difficult questions like these, and America's local elected leaders stand ready to help find answers, based on our firsthand understanding of the urgent issues facing our communities every day. In this report, we describe eight issues that demand the attention of all of America's leaders – federal, state, and local – at this time of transition. And, we offer an Agenda for the Nation that includes key actions that the federal government can take to address each one.

This report, together with an accompanying series of policy briefs on the eight issues, is part of a broader effort by the National League of Cities to provide the incoming Administration and Congress with information and ideas that can help shape a better future for our hometowns and our nation. In addition to this report, NLC has prepared a separate document, *Governing Economies in the 21st Century*, that takes a longer view of how governance and politics need to change in order for our nation to resolve the most urgent challenge of all: the uncertain state of the U.S. economy.

In-depth policy briefs on each of the eight issues covered in this report can be found at www.nlc.org.

- **Housing**
- **Infrastructure**
- **Health Care Reform**
- **Poverty Reduction & Economic Opportunity**
- **Public Safety and Homeland Security**
- **Sustainability**
- **Immigration**
- **Governments Working Together**







AT ISSUE: HOUSING

The way we talk and think about housing policy in America has changed overnight, due to the home mortgage crisis and the coincident failures of various financial institutions. Encouraging home ownership for as many Americans as possible – giving people a stake in the future of their community – remains a laudable goal. The challenge for the federal government, working in partnership with state and local governments, is to resolve the crucial questions raised by the collapse in America’s housing market – questions like what kinds of housing America needs; how to finance construction, rehabilitation and resale of homes; and how best to engage the private sector in the work of building houses and revitalizing America’s hometowns.

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The National League of Cities believes that federal and local housing priorities, while promoting home ownership, must also include a myriad of options that take into account the various needs of all segments of society. With an overarching goal of building stronger communities, cities and towns support federal efforts to:

- Ensure the availability of capital for mortgage financing and refinancing and continue to encourage lenders and loan servicers to work-out unsound loans as an alternative to foreclosure.
- Invest in programs that stabilize and enhance neighborhoods, while helping communities minimize the damage caused by the national foreclosure crisis.
- Protect homebuyers from predatory lending by ensuring that mortgage brokers are effectively regulated and that mortgage loans are well-suited to the financial means of the homebuyer.
- Expand programs focusing on affordable rental housing, including housing vouchers and low-income housing tax credits.
- Support transitional housing in coordination with comprehensive services for the homeless.
- Prevent an appreciable loss of the nation’s affordable housing stock by funding the rehabilitation of abandoned or vacant properties.
- Reform the Community Reinvestment Act to encourage genuine partnerships between financial institutions and the neighborhoods in which they operate; increase meaningful investments in cities; encourage broader access to credit; and strengthen compliance with the law by financial institutions.



AT ISSUE: INFRASTRUCTURE

Our nation's infrastructure system—including transportation infrastructure, water and sewer systems, and communications—is the backbone of the U.S. economy. To the extent that it is properly maintained and adequate to our needs, America's infrastructure will ensure the long-term vitality of our local, regional, and national economies, while strengthening the nation's competitive position in world trade. On the other hand, if we continue to allow our infrastructure to deteriorate through lack of investment and proper maintenance, we will put America's economic success—and the success of our hometowns—at grave risk.

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Create a flexible, multi-modal transportation system. The National League of Cities believes that the safe and efficient movement of people and goods via an array of transportation modes must be the prime objective of transportation infrastructure policy at all levels of government. To achieve that objective, cities and towns support federal legislation that:

- Promote local control over the investment of federal transportation funds according to local needs and objectives.
- Ensure equity and connectivity among transportation options—from transit and air to railways, roads, and waterways—as a means to reduce congestion, protect the environment, stimulate economic development, and achieve other objectives.
- Work with state and local officials to develop the safest, most efficient, and most environmentally friendly designs for solving transportation problems.
- Preserve federal fuel taxes as the funding source for the highway trust fund while increasing the use of innovative funding mechanisms for transportation, such as vehicle miles traveled (VMT) mechanisms and congestion pricing.

Protect the safety of water, sewer systems. The National League of Cities believes that the federal government must take the lead in protecting America's water supplies while keeping water and sewer services affordable for all Americans. In taking the lead, cities and towns call upon the federal government to:

- Adopt and enforce stringent national standards to protect the integrity and safety of America's water infrastructure systems.
- Provide adequate and reliable long-term funding for municipal water infrastructure needs.
- Ensure that municipalities have adequate funding to meet national water quality mandates and goals.
- Reauthorize and fully fund both the Drinking Water State Revolving Loan Fund and the Clean Water State Revolving Loan Fund to ensure adequate resources for wastewater and drinking water treatment facilities.

Expand access to broadband, other telecommunications services. The National League of Cities believes that federal, state, and local officials should work together to make sure all Americans have access to affordable broadband and other telecommunications services. As a full partner, the federal government should:

- Adopt telecommunications policies that allow new technologies to flourish while preserving traditional local regulatory authority.
- Encourage deployment of broadband networks in a competitive and technologically neutral manner while preserving the authority of local governments to act in the interest of their citizens by offering high-speed Internet and other communications services.
- Protect local governments' ability to offer community/municipal broadband and similar services in their communities.
- Convene interested parties from government (local, state, tribal, and federal), consumer organizations, underserved communities, and industry to promote ubiquitous broadband deployment across the nation.





AT ISSUE: HEALTH CARE REFORM

Healthy hometowns make for a healthy America. But today, America's local governments face fundamental challenges as they strive to protect and improve the health of city employees and other residents. Like most businesses in the country, cities and towns are finding that their budgets are overstretched by the ever-increasing costs of providing health care coverage to municipal employees and their families. In addition, cities face the much more basic challenge of trying to make sure all residents stay healthy. America must reform its health care system to control costs and to expand access to affordable coverage for all, with a special focus on the 46 million Americans who are uninsured.

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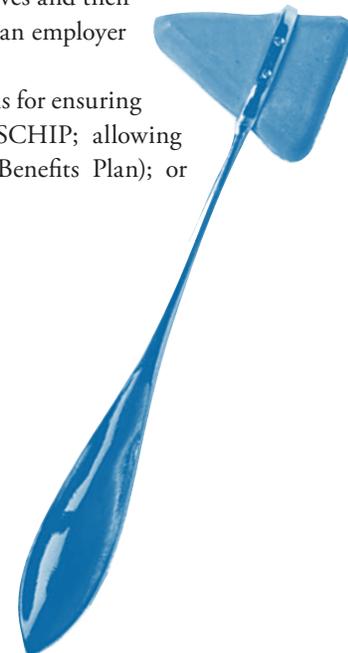
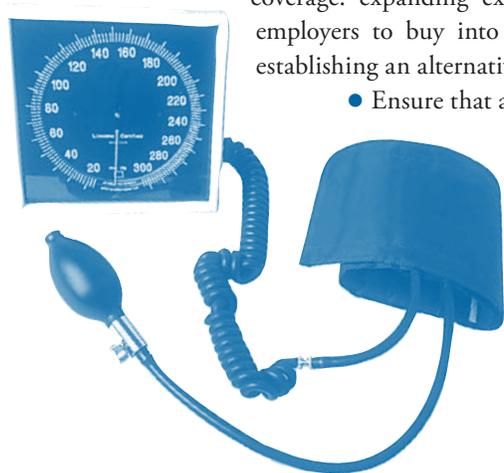
Control costs. The National League of Cities believes major reforms are needed to control costs and reduce the rate of growth in health care expenditures and coverage costs. Given its key role in reform efforts, cities and towns urge the federal government to:

- Focus on disease prevention and management instead of more costly episodic medical procedures.
- Establish national performance standards for physicians and hospitals to lead to fewer costly errors.
- Provide financial incentives for medical providers to use health information technology as a way to improve care coordination and reduce costs.
- Enact reforms to reduce administrative costs in the insurance industry.
- Require insurance companies to publicly disclose their premiums, co-payment rates, administrative costs, and profit margins so purchasers can effectively compare costs.

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Expand access to care. The National League of Cities believes local, state, and federal leaders must collaborate to design a health care system that ensures that all residents can have access to affordable health care coverage. America's cities and towns support federal efforts to:

- Conduct a public information and outreach campaign to all uninsured individuals who are eligible for government health care programs like Medicaid and the State Children's Health Insurance Program (SCHIP) to encourage them to take advantage of what's available.
- Provide all employers with the same tax incentives to offer health insurance to employees, so that all employers are supported for providing workers with health benefits.
- Create new pooling opportunities so small employers and self-employed individuals can obtain group rates to reduce costs and make it affordable to obtain health insurance.
- Create financial incentives for individuals to purchase health care coverage for themselves and their families, so that all receive the same incentives to buy health insurance either through an employer or on the individual market.
- Ensure that all individuals and families can obtain health insurance. Among the options for ensuring coverage: expanding existing government programs, such as Medicare or SCHIP; allowing employers to buy into the federal system (the Federal Employees Health Benefits Plan); or establishing an alternative program that assures coverage for everyone.
 - Ensure that all children receive basic health benefits.





AT ISSUE: SUSTAINABILITY

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Sustainability is one of the defining issues of our time. The reason: increasing concern about climate change and other threats to public health and the environment related to human activities. Today, the nation's local governments find themselves at the epicenter of the sustainability movement. Cities and towns are actively pursuing initiatives to conserve energy, reduce greenhouse gas emissions, and protect the environment in other ways. The federal government can and should be a full partner in these efforts, providing national leadership when appropriate, and supporting the many creative efforts that can only happen at the community level.

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The National League of Cities believes that the federal government must take the lead in advancing policies that put America on track to a more sustainable future for our hometowns and our nation. Cities and towns call upon the federal government to:

- Adopt a comprehensive emissions reduction plan that includes the establishment of a national greenhouse gas registry and a cap on total emissions.
- Pursue a responsible energy policy that promotes the most efficient and affordable use of all sources, promotes renewable sources, encourages domestic production, protects the environment, decreases greenhouse gas emissions, and encourages efficiency and conservation.
- Support a multimodal transportation system that encourages mass transit, passenger rail, and non-motorized transportation, and the development of alternative fuels and low-emission vehicles.
- Assist local governments in leveraging their resources and increasing their ability to institute beneficial “green” initiatives.





AT ISSUE: POVERTY REDUCTION AND ECONOMIC OPPORTUNITY

At a time when Americans are facing the difficult realities of a weakened economy, all levels of government must join together to make certain that children and families at all income levels can meet their basic needs and achieve success. Priorities include providing quality education and training for today's economy, opportunity for real employment with a living wage, and access to public benefits and mainstream financial services. A key goal at all levels should be to support and strengthen programs that build financially stable families.

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Reduce poverty. The National League of Cities believes that all levels of government must work together to make sure that residents and families who are living in poverty can meet their basic needs while taking steps to build a more stable future. Cities and towns call upon the federal government to:

- Invest in housing and community redevelopment programs, so that all residents can live in adequate housing and safe neighborhoods.
- Update the federal poverty measures to accurately reflect needs of working families, including the increased financial burden that items like housing, childcare, health care and transportation place on budgets, as well as regional cost-of-living differences.
- Expand and modernize the earned income tax credit (EITC) to boost the incomes of a larger share of low- and moderate-income taxpayers, and to increase the credit amount for families with more children.
- Increase federal funding for key federal benefit programs to help families transition out of poverty, including food stamps, Supplemental Nutrition for Women, Infants, and Children (WIC), and assistance to help low-income families pay the high cost of energy bills (LIHEAP).
- Support city efforts to increase financial literacy and financial stability for families by investing in financial education and savings programs, and by helping cities connect residents to mainstream financial services, so that families can build and maintain long-term assets.
- Reform America's health care system to ensure that individuals, families, and children have access to affordable, quality health care.

Improve education. In order for Americans to be competitive in the global economy, the National League of Cities believes that the federal government must ensure that every student has the opportunity to graduate from high school prepared for college or meaningful employment and a living wage. Cities and towns support federal efforts to:

- Provide safe, affordable, quality childcare and family development services for low-income women and their families so that all children have the social, nutritional, and health supports they need for a successful future.
- Work with states and local governments to ensure that all children have access to early childhood learning, so they will be better prepared to begin their elementary education and achieve long-term school success.
- Make significant new financial investments dedicated to support programs for at-risk students and dropouts.
- Enhance after-school programs and year-round youth employment and vocational programs that are linked to staying in school.
- Create federal-state-local partnerships focused on transforming the nation's lowest-performing schools.

Build a skilled workforce. The National League of Cities believes that all levels of government must work together to provide comprehensive workforce development programs tailored to fit local and regional employment needs. Cities and towns call upon the federal government to:

- Make work pay by setting the minimum wage and earned income tax credit at levels that, in combination, allow families to make ends meet.
- Increase funding for workforce development and training programs, including basic skills training and opportunities to upgrade the skills of workers so they can adjust to changing job markets.
- Provide incentives to private industry to provide jobs to disadvantaged youth and other hard-to-employ populations.

AT ISSUE: PUBLIC SAFETY AND HOMELAND SECURITY

The security of the United States and its citizens is one of the defining issues of the decade and will likely remain a top concern for the foreseeable future. The threats to America's citizens from crime, terror and natural disasters have changed significantly. In the face of these new challenges, the leaders of America's cities and towns are best positioned to address traditional public safety needs while at the same time advancing the nation's homeland security priorities. National top-down plans are not sufficient. America needs collaborative strategies that emphasize partnerships, innovation, and "all-hazard" approaches to public safety.

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Direct resources where they are needed most. The National League of Cities believes the federal government must invest in several key areas as it seeks to bolster the capacity of local governments and others to protect the safety and security of America and its citizens. Cities and towns support federal efforts to:

- Provide local governments with the resources to meet the growing demands on local first responders as the linchpin of emergency and disaster response.
- Invest more in disaster prevention and resilience so local communities can identify vulnerabilities and take steps to reduce the loss of lives and property in the event of a disaster.
- Invest more in programs that reduce the long-term incidence and costs of crime, from substance abuse treatment to proven programs that build alliances between citizens and police.

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Strengthen information sharing at all levels. The National League of Cities believes the federal government can play a crucial role in advancing public safety and homeland security by collecting and sharing information about urgent issues and what works. Cities and towns urge the federal government to:

- Collect information about best practices and model public safety and homeland security programs; and provide local communities with examples that can be tailored to their unique needs and concerns, while also providing direct assistance to implement programs fully and correctly.
- Strengthen domestic intelligence sharing between federal and local authorities on wide-ranging issues from illegal gun sales to terrorist threats.

Create a culture of public awareness and action. The National League of Cities believes the federal government also has an important role to play in ensuring that all Americans understand their own responsibilities in preventing crime and preparing for disasters. Cities and towns urge the federal government to:

- Commit to educating the nation in an effort to create a culture of rational community preparedness – so that the general public can act wisely if confronted with an emergency.
- Expand efforts to spur local collaboration between first responders and citizens within a community to prepare for disasters.
- Improve emergency communications and warning systems so citizens have the information they need to protect themselves.





AT ISSUE: IMMIGRATION

America's immigration system is broken, and the nation's hometowns are suffering the consequences. The inability of government at all levels to reach consensus on a solution to immigration has created financial, cultural, and political strains in communities across America. Comprehensive reform is needed to fix the system and to provide cities and towns with the support they need to integrate immigrants into American communities. It's time for the federal government to adopt a comprehensive immigration policy that reflects the economic and social realities of our nation today.

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The National League of Cities supports comprehensive reform of America's immigration laws to bring some sense and reasonableness to U.S. immigration policy and calls upon the federal government to:

- Support local efforts to help integrate immigrants into the community and alleviate the costs of providing services such as public safety, language services, housing, health, education, and social services.
- Step up enforcement of existing immigration laws – for example, through strong worksite enforcement, accurate worker verification, and increased staff and resources at the borders.
- Develop better verification systems for workers, including a universal, secure, non-discriminatory identification system using the most up-to-date technology.
- Create a path to citizenship for undocumented immigrants living in the United States through payment of appropriate fees and back taxes, background checks, absence of criminal or gang activity, consistent work history, and the ability to meet English and civics requirements.
- Create a legal means of immigration for foreign nationals who want to work in the United States temporarily, as well as for those who desire to become legal permanent residents or gain citizenship, but ensuring that they do not move ahead of applicants with proper documentation.



AT ISSUE: GOVERNMENTS WORKING TOGETHER

The intergovernmental partnership that has defined American governance for most of the nation's history is unraveling. It is time for serious dialogue that engages local, state, regional, and federal leaders in “national” rather than federal policymaking. All levels of government will be under enormous stress in future years as the nation tries to confront pressing challenges on issues from the economy and health care to climate change. The question is whether we will take this opportunity to bring the different levels of government together to collaborate on national goals and objectives, or whether we will continue on the current path of “go-it-alone” governance.

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The National League of Cities believes that all levels of government can better serve America's citizens and the nation by building a well-functioning intergovernmental system. In order to strengthen and revitalize the intergovernmental partnership, cities and towns urge the federal government to:

- Conduct a summit of local, regional, state, and federal leaders to discuss the intergovernmental relationship, the principles and practices of federalism, and the steps needed to ensure an effective partnership on behalf of the American people.
- Reaffirm the policies and principles of federalism as set forth in Executive Order 13132 — Federalism.
- Establish an Office of Intergovernmental Affairs within the White House policy apparatus to serve as a conduit between the President and state and local leaders.
- Create a permanent entity that works to foster improved relations and consensus-building among different levels of government while providing information, data, and analysis about the health of the intergovernmental system and the impact of federal programs and requirements on inter-local and regional collaboration.





BUILDING A BETTER FUTURE

America's hometowns are where we come together as neighbors and fellow citizens to solve problems and get things done. They are where we create new industries, businesses, and jobs. And they are where we get an early, firsthand view of the full array of challenges and opportunities facing our nation.

The future of America's hometowns is bound up with the future of our nation. On behalf of America's local elected leaders, the National League of Cities looks forward to working with the new President and Congress to build a better future for all of us.



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