



NEWS RELEASE

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State of the Union includes key county priorities

NACo stands ready to strengthen local, state, federal partnership

WASHINGTON, D.C. – The National Association of Counties (NACo) today responded to President Obama’s State of the Union Address and vowed to work with the President and Congress to achieve shared priorities important to the nation’s counties, including economic recovery and investing in transportation and infrastructure.

“Many of President Obama’s domestic policy goals align with priorities county governments work to achieve every day,” said NACo President Riki Hokama, council member, Maui County, Hawaii. “We look forward to continuing to work with the Administration and leaders on Capitol Hill because federal decisions have a cascading effect on county governments and residents. We stand ready to strengthen counties’ intergovernmental collaboration to benefit everyday Americans.”

One of the President’s top priorities is making sure more Americans feel the national economic resurgence he discussed. While the national economy has seen progress, recovery on the ground remains sluggish and uneven.

According to [NACo’s County Economic Tracker 2014](#) released last week, 95 percent of county economies have not returned to their pre-recession employment rates and only 65 out of 3,069 county economies have recovered on the four key indicators NACo analyzed — economic output (GDP), jobs, unemployment rate and home prices. Further, wages have declined in half of county economies, and only 40 percent of jobs created have been in industries paying more than the average wage in the county where the job is located.

As the Administration works with states and local governments to bolster economic recovery on the ground, counties agree with President Obama that we must invest in the nation’s transportation systems and infrastructure. At the same time, county leaders expressed concern about tax and finance reforms for funding capital projects.

NACo’s Transportation Steering Committee Chair Peter McLaughlin, commissioner, Hennepin County, Minn., said, “As major owners of the nation’s transportation system, we are intimately familiar with the growing need to invest. Counties need the kind of certainty provided by a long-term reauthorization of [MAP-21](#).”

Counties own and maintain the greatest share of the nation’s road miles (45 percent) and nearly 40 percent of the number of bridges. Counties are also the stewards of more than a third of the nation’s transit systems and airports.

“At the local level, we simply cannot afford for Congress to kick the can down the road with more stopgap measures,” McLaughlin said. “No great nation has ever made lasting progress on transportation and infrastructure by setting its policy six months at a time, and the United States won’t either.”

Financing tools can help efforts to fund infrastructure projects, but they are only a part of the equation. They are not a sufficient replacement for Congressional action and tax-exempt municipal bonds.

County leaders are concerned about the future status of [tax-exempt municipal bonds](#). Though they have been open to considering a wide range of public financing options and additional tools, they have long opposed eliminating or reducing traditional funding and tax-exempt municipal bonds, which provide indispensable financing for major infrastructure projects.

“Counties need more financing options, not fewer,” said NACo’s Executive Director Matt Chase. “One infrastructure financing tool cannot cancel another. For more than 100 years, tax-exempt municipal bonds have been the lifeblood of the nation’s public infrastructure. Over the last decade alone, they have played a key role in financing trillions of dollars in essential projects like schools, hospitals, roads, bridges, water and sewer systems, ports, airports and other public works projects.”

In addition to the legislative initiatives the President discussed, federal regulations can also have a major effect on counties’ ability to provide services to residents. Counties echoed the need for collaboration on federal environmental regulations like the Administration’s [“Waters of the U.S.”](#) proposal. County leaders favor common-sense environment protections and can work with the federal government to achieve this goal without inhibiting public safety and economic development efforts.

Chase concluded, “President Obama’s address made it clear that federal policies matter to county governments and county governments matter to America. Every level of government must work together to shape policies that improve the quality of life for all Americans. Whether it’s building and maintaining infrastructure, providing essential services or fostering conditions for economic growth, counties are on the front lines serving communities. NACo stands ready to work with the Administration and Congress to make America’s communities healthier, safer, and more vibrant places to live and work.”

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The [National Association of Counties](#) (NACo) is the only national organization that represents county governments in the United States. Founded in 1935, NACo assists America’s 3,069 counties in pursuing excellence in public service to produce healthy, vibrant, safe and resilient counties. NACo promotes sound public policies, fosters county solutions and innovation, promotes intergovernmental and public-private collaboration and provides value-added services to save counties and taxpayers money. More information at: www.naco.org.