

To: Chair Elizabeth Glidden, Vice Chair Alondra Cano and Committee members.

From: IGR Staff

Date: August 5, 2014

Re: 2015 Federal Policies: Summary

Overview

The proposed FY 2015 polices replaces the current Federal Agenda. The attached document includes policies related to federal support for Minneapolis as well as policy positions in such areas as housing, transportation, environment, elections and immigration. While many of the policies are continuation of statements contained in the current federal agenda there are several new policies or changes to existing policies.

The **Appropriations section** has been rewritten to include information on the city's recent experience with federal grants and tax expenditures but it does not recommend funding levels for each grant program. The change is proposed since Congress has adopted spending limits and has not been able to adopt appropriation bills that often include program changes or directives. The section is shorter than previous sections and includes new policies regarding:

- Appropriation process and funding level.
- Tax expenditures for housing and economic development.
- Highway Trust Fund.
- Taxation of internet sales tax.
- Reauthorization of the federal transportation financing act – Moving Ahead for Progress in the 21st Century.

The **Policy Initiatives section** contains a brief discussion of the policy including an update on recent related actions followed by a recommended action by the Congress or Administration or both.

The **Policies Accomplished** section is a new section that lists the policies that have been accomplished and provides information related to implementation of the policy.

Policy by Policy Summary

Appropriations (NEW). The section describes the City's experience with federal grant and tax expenditures from 2007 to 2013. A brief description of Congressional actions related to tax and appropriations is also included in the introduction.

Revenue: General Fund (NEW). The section discusses Congressional intentions to adopt tax reform. However the reform will probably not occur until a future Congress convenes. In the meantime several tax expenditures such as low income housing credits, new market tax credits and tax exempt housing bonds utilized by the city are set to expire by the end of the year.

Revenue: National Highway Trust Fund (NEW). This section outlines the status of the trust fund and its possible insolvency. Please note that Congress passed a short-term funding package that keeps the trust fund solvent until May 2015.

Revenue: Sales Tax on Internet Sales (NEW). The status of legislation to permit states to collect its sales tax on internet sales is described. In addition background information on judicial actions and the projected revenue impact on Minnesota is presented.

Recommendation. The policy statement recommends Congressional action on the items listed above.

Reauthorization of Moving Ahead for Progress in the 21st Century Act (MAP-21) (NEW). The statement and recommendation supports a six year extension of the MAP-21 and the establishment of a funding program to address local bridge and highway needs.

Federal Role in Affordable and Workforce Housing. Adopted by the city in March 2014 the policy statement is not changed.

Health Care: Affordable Health Care Act. The introductory statement is updated and the policy recommendation includes support for the Affordable Care Act as well as continuing support for the Health Care Trust fund.

Telecommunications Policy. The introductory statement is updated to include judicial decisions and Federal Communication Commission actions. The policy recommendation is similar to the current agenda.

Youth Violence Prevention. The introductory statement is updated while the policy is not changed.

Energy and Environment Policy and Funding. The introductory statement is redrafted to include energy policies adopted by the City and State of Minnesota. The policy statement has not changed.

Inclusive Employment Non-Discrimination Act (ENDA). The policy recommendation has not changed but the introduction has been updated to include a description of the President's Executive Order.

Air Traffic Safety and Noise Concerns. The introduction is updated. The policy recommendation is redrafted but the substance is the same as the current policy.

Federal Actions Defining Marriage. The policy recommendation is retained. The introduction is updated to discuss the U.S. Supreme Court decision and resulting actions at the state level.

Invasive Carp Prevention (policy amended). The introduction is rewritten to reflect recent Congressional action to adopt the city recommendation to close the Upper St. Anthony Falls Lock and Dam. The policy recommendation is redrafted to include the funding assistance request which was part of the prior 2013 Federal Agenda.

Access to Voting. The policy recommendation is unchanged. The introduction has been updated.

U.S. Resettlement of Refugees. The introduction and the policy recommendation have been updated.

Transparency in Elections. The introduction has been updated. The policy statement is the same as the 2013 Federal Agenda.

American Community Survey, The introduction has been updated. The policy recommendation has not changed.

Immigration Reform. The introduction was revised and approved by the city council in early February 2014.

Foreclosure Prevention: Principal Reduction for Fannie Mae and Freddie Mac Mortgages. The introduction now mentions an interest reduction program operated by the U.S. Department of Housing and Urban Development (HUD) and Treasury. The joint program is for non-Freddie Mac and Fannie Mae backed mortgages. The policy statement is not changed.

Federal Minimum Wage (policy amended). The introduction is updated to include recent Presidential actions and Congressional bill introductions. The policy recommendation includes an hourly wage amount that is in the Presidential order and in the legislation.

Sexual Exploitation of Youth. The policy recommendation has not changed. The introduction has been updated.

Policies that have been accomplished. Although the invasive carp policy has been partially accomplished, it and five other policies are identified as being completed.

2013 Federal Agenda Policies not Included in the Proposed 2015 Federal Policies. Three 2013 policies are not proposed as individual 2015 policies but are either included in another policy or recommended for state legislative consideration. The “lawful Permanent Residents” and “Dream Act “ are included in the Immigration policy recommendation. The “Employment Status as a Condition for Employment” is recommended for consideration as part of the state legislative process. A fourth policy “Federal – Local Government Relationships” is discussed in the Introduction section.