

LEGISLATIVE GOAL STATEMENTS

RECOMMENDED BY THE NCLM BOARD OF DIRECTORS

The following goal statements are NOT listed in any particular order.

- **Grant local governments the authority to build broadband infrastructure in order to partner with private providers, and provide additional funding to help close the digital divide.**
 - The COVID-19 pandemic has demonstrated the need for additional steps to improve broadband access.
 - Slow and unreliable internet service threatens educational and professional opportunities, and the economic future of entire communities.
 - Failure to utilize local government assistance and assets will continue to create digital gaps that have real-world consequences for North Carolinians.
- **Secure federal and state aid directly to municipalities to offset all lost revenues due to the Covid-19 pandemic.**
 - Municipalities saw large drops in sales and occupancy taxes and utility revenues last spring; the current surge in the virus is likely to produce more economic disruption and further erosion in revenues.
 - Earlier federal assistance to state and local governments was neither direct nor flexible, preventing revenue holes from being filled.
 - NC municipalities received only a fraction of the federal CARES Act state and local dollars allocated to North Carolina in March.
- **Expand incentives and funding for local economic development.**
 - Funding is simply inadequate in many cities and towns to encourage job growth.
 - A lack of state funding is seen in grants or incentives for major job creation projects as well as programs to boost small business growth.
 - Among the needs are restoring cuts or additional funding for film tax credits, major industrial site development, downtown development and renewable energy tax credits.

- Refine economic tier designation system to more accurately reflect conditions at sub-county level.
 - The existing criteria does not seem to reflect the status of many communities.
 - The current tier designations fail to take into account the disparate levels of wealth within individual counties.
 - The county-focused system means that municipalities can lose out on state grants and other types of funding when they fail to adequately reflect community's wealth.
- **Revitalize vacant and abandoned properties with enhanced legal tools and funding.**
 - Many towns and cities do not have the funding to address abandoned properties.
 - These properties affect surrounding home and business property values, economic development opportunities and crime rates.
 - With funding and additional legal tools, such as those allowing for properties to be more easily condemned and to address multiple heirs, these properties could serve to addressing local housing needs.
- Increase state and federal funding for affordable housing.
 - Ongoing revenue sources to meet affordable housing needs is extremely limited; the two primary state programs to meet those needs – the N.C. Housing Trust Fund and the Workforce Housing Loan Program – have received less than \$30 million annually in recent years.
 - More than one-in-four North Carolina households are considered “cost-burdened” when it comes to paying for housing, meaning they pay at least 30 percent of their income in housing costs.
 - Affordable housing is not an issue only in larger cities; a growing number of smaller cities and towns have recognized a lack of affordable housing as major problem facing residents and an impediment to workforce recruitment.

- **Create a permanent and adequate funding stream for local infrastructure needs.**
 - Infrastructure – including roads, water, sewer, stormwater, parks and beaches – are critical to economic development and job creation.
 - Many cities in the state are growing, creating a constant need for investment to keep pace with population growth; many cities and towns also have aging infrastructure that must be replaced.
 - Creating a more permanent funding stream for local infrastructure, such as a dedicated tax source, would allow for better planning to meet needs.
- **Provide funding to keep aging water and sewer systems financially solvent today and viable for the future.**
 - According to a state study, North Carolina will need at least \$17 billion to meet water and wastewater infrastructure needs over the next two decades.
 - Several dozen towns in the state have financially distressed water or sewer operations, threatening the towns' overall financial viability.
 - These stresses to water and sewer operations have coincided with population and job losses in rural areas, leading to an erosion of taxpayer and ratepayer bases.
- **Ensure state funding for any new, state-mandated benefits for municipal employees.**
 - In recent years, legislators have considered additional post-retirement benefits for certain classes of municipal employees.
 - Often, proposed legislation would act as an unfunded mandate on municipalities, as it fails to include a state-funding source.
 - Proposals, many focused on firefighter benefits, fail to consider that municipalities already enjoy the authority to provide these benefits individually without legislative action.
- Improve state-wide funding and support for LEO training focused on use of force, mental health and de-escalation skills.
 - Highly-publicized incidents of police use of force in 2020 have underscored the need for enhanced and expanded law enforcement training.
 - Improved training is needed to build trust and legitimacy in the community while serving the public in a professional and equitable manner.
 - Numerous studies show that additional and effective training focused on conflict de-escalation can significantly reduce police use of force.

- Permit all cities to establish a police department citizen review board.
 - Current state law requires cities to seek local legislation approved by the General Assembly to establish a police citizen review board.
 - A statewide law providing cities and towns the option of establishing such boards would allow more flexibility to meet local needs.
 - Establishing these review boards, when sought by and supported by local residents, can create another avenue to build trust with the community.
- **Allow a short grace period for online posting of local emergency declarations while allowing them to take effect immediately.**
 - Current state law requires immediate online posting of local emergency declarations in order to take effect.
 - Recent disasters and emergencies have demonstrated the difficulties meeting the requirement.
 - Weather issues and power outages are among the problems that can hamper compliance.
- **Increase public safety grant funding and expand allowable uses.**
 - Improving policing will require additional public safety grant funding and more flexibility in its uses.
 - More effective and equitable policing can be achieved by additional funding of community policing programs, as well as putting more dollars toward alternative programs that seek to address mental health calls and other issues through non-uniformed personnel.
 - Additional funding is also needed to meet public safety communication needs.
- Extend notification timeline for any changes to sales tax revenue disbursement.
 - Under current law, counties are able to shift the method of local sales tax disbursement in April, providing notice to municipalities just two months ahead of the new fiscal year.
 - These shifts, from per-capita to ad valorem distribution methods, or vice versa, can mean significant losses of sales tax revenue for municipalities, with little time to consider the budget implications.
 - County governments enjoy this power even though a majority of sales tax revenues are generated within municipal borders.

- **Reduce pressure on property tax payers by expanding locally-controlled options for revenue generation.**
 - Property taxes remain the primary revenue stream over which municipal governments exercise control.
 - Cities have little or no authority to raise significant revenue in other ways.
 - A lack of diverse, local tax options can affect economic growth, as well as cause large swings in revenue based on economic changes.
 - Increase in state funding to support public transportation development and operations.
 - Growing areas require public transportation options to effectively allow people to work, live and play.
 - When quality of life suffers due to traffic congestion, areas lose their attractiveness as places to live and work; that can affect the larger economic growth of the entire state.
 - The state needs to be a full partner in public transit solutions.
 - Improve processes and payments for moving utility lines located in the right-of-way during transportation projects.
 - NCDOT charges to cities to move utility lines for road projects can be costly.
 - Due to uncertain construction timelines, these charge often come with little notice or ability to budget.
 - Increased transparency and communication would allow cities to better plan for these projects.
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