



FLORIDA LEAGUE OF CITIES

2023 FEDERAL ACTION AGENDA

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The Florida League of Cities represents Florida's 411 cities, towns and villages in the Sunshine State. The League's mission is to serve the needs of Florida's cities and promote local self-government. We support local voices making local choices to protect and enhance Florida's communities. The League and its members have identified the following federal issues as part of our 2023 Federal Action Agenda:

National Flood Insurance Program (NFIP)

ACTION NEEDED

We urge Congress to advocate for a long-term NFIP reauthorization package that provides:

- ▶ Affordability for existing and future policyholders
- ▶ More accurate flood mapping
- ▶ Resiliency incentives.

BACKGROUND

The NFIP is set to expire on September 30, 2023, and Congress continues to pass short-term extensions to a flawed program. We need a long-term comprehensive rewrite of the NFIP that adheres to insurance principles and ensures the following:

- ▶ Rates. Rates must not be excessive, inadequate or unfairly discriminatory.
- ▶ Premiums. Any necessary increases in premiums should be implemented with regard to the customer's ability to absorb those increases.
- ▶ Property ratings. Properties should be rated based on their ability to withstand risk, not on their use or ownership structure.
- ▶ NFIP participation. Incentives should be created to encourage participation in the NFIP for property owners not located in high-risk flood zones. This participation will not only help protect those who are caught off guard by unpredicted flooding, but it also will help the program become more financially stable.
- ▶ Mapping. Nationwide, NFIP flood maps are generally outdated and don't accurately measure a community's flood risk.
- ▶ Risk Rating 2.0 (RR2). Provide more details on the methodology for RR2, and ensure there are reasonable affordability controls that limit the percentage increase that policyholders will face.



Simplifying Local Government Grants

ACTION NEEDED

We urge Congress to support legislation that simplifies the process for local governments to apply for federal grants.

BACKGROUND

Some studies have shown that smaller cities, counties and other local governments do not typically receive their fair share of federal grant dollars. The unequal distribution of federal dollars can be explained by numerous factors, including the complexity of the application process. The problem is increasingly important as the total number of federal grants to state and local governments has grown significantly. Naturally, some larger local governments have more resources to hire dedicated grant writers and coordinators, so they can submit better applications and be more equipped to effectively and efficiently implement awards – to the detriment of Americans in less populated areas.

The Florida League of Cities supports making it easier for smaller local governments to apply for funds under federal grants.

OTHER POLICY POSITIONS

Cybersecurity Funding

The Florida League of Cities supports federal funding for technical assistance, threat assessments, employee training, infrastructure improvements and data protection to help cities better prepare for the next cyberattack. The State and Local Cybersecurity Grant is a new grant to assist state and local cybersecurity risks and threats to information systems they own or operate.

Specifically, FLC urges Congress and the administration to broaden the eligibility of this grant program so that cities can apply directly to the Department of Homeland Security for this funding.

Community Development Block Grant (CDBG)

The CDBG, which provides funding directly to cities and allows local autonomy and flexibility, is the most effective form of federal assistance currently available to local governments. CDBG successfully mobilizes resources and addresses housing, community and economic development and physical infrastructure needs. It is the most successful federal block grant and the model against which all future federal programs must be measured.

The Florida League of Cities urges Congress to fully fund CDBG and supports the flexible use of CDBG funds to address certain immediate and unanticipated needs for its communities.



Tax Exemption for Municipal Bonds

The Florida League of Cities supports the right of cities to issue governmental debt for essential public services by marketing bonds to investors with interest on such bonds remaining totally exempt from federal taxation. Just as federal debt is exempt from local taxes, municipal governments vigorously oppose any action in the context of tax reform or deficit reduction that would directly or indirectly tax, under the federal income tax, interest on state or local government municipal bonds or would place these bonds in an inferior competitive position with federal debt instruments and corporate securities. Tax-exempt bonds are a critical tool for budgeting and financing long-range investments in the infrastructure and facilities necessary to meet public demand for government services.

Florida's municipalities oppose restrictions that would drive up the cost of issuing tax-exempt bonds and endorse simplifications that would ease existing burdensome restrictions on tax-exempt financing.

Federal Emergency Management Agency (FEMA) Loan Interest Relief

The Florida League of Cities supports legislation that would require FEMA to reimburse local governments for interest incurred on loans used to restore essential functions after natural disasters. More than half of Florida's cities, towns and villages have a population under 15,000. When a natural disaster strikes, these smaller cities don't always have enough financial resources and must secure loans to offset the costs of post-storm cleanup and recovery.

Requiring FEMA to cover the interest incurred from these loans provides certainty to local governments and electric cooperatives while they await FEMA reimbursement.