



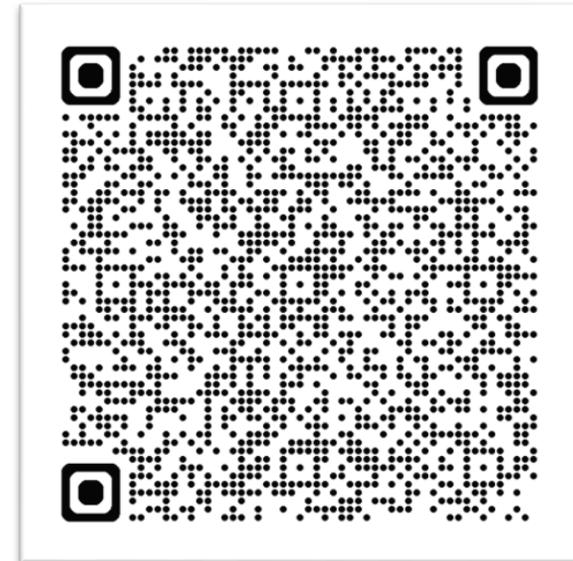
FIRST 100 DAYS

NACo Webinar Series | Week 4

FEBRUARY 13, 2025

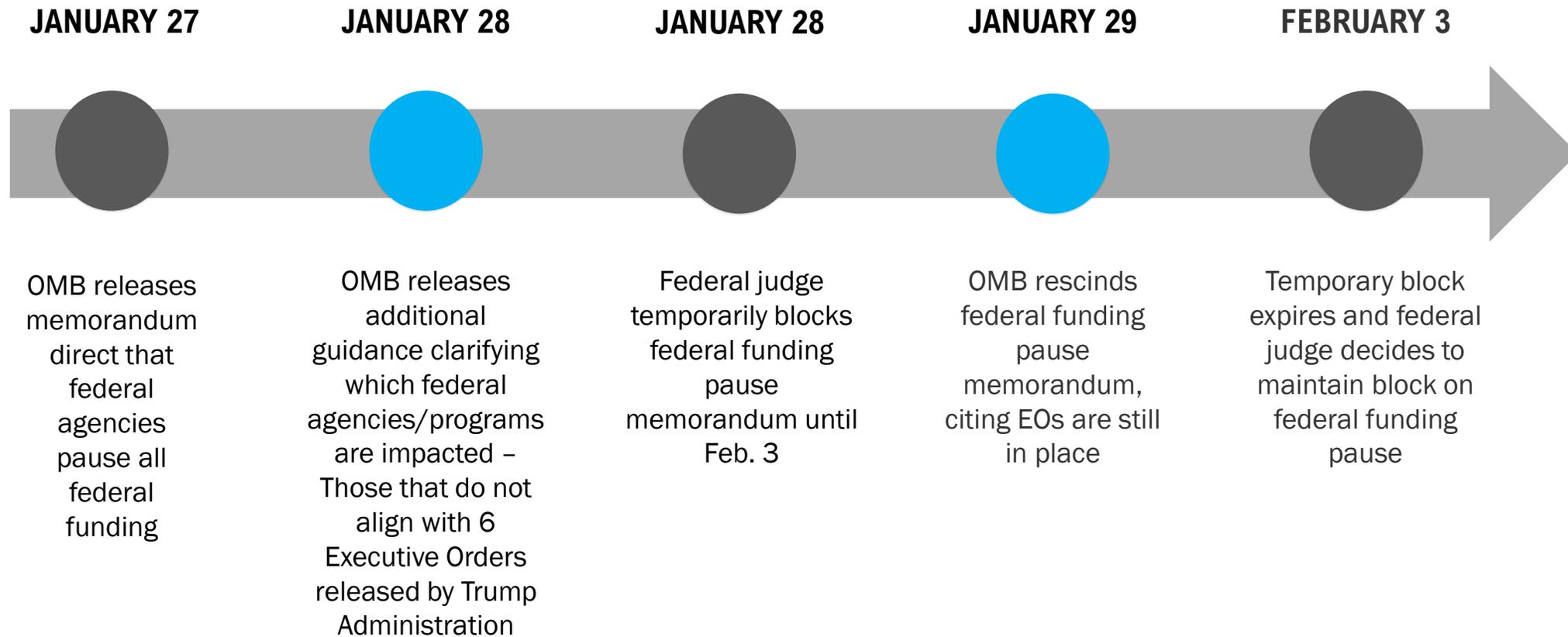
FIRST 100 DAYS

- Provide timely updates and analysis on key developments from the administration and Congress
- Focus on policies and actions that directly impact counties
- Questions will be answered if there is ample time at the end – **If your question isn't answered, email questions@naco.org, Mark or Eryn.**
- NACo will announce future First 100 Day webinars as soon as scheduled (usually Fridays)



*Scan the QR code to visit the NACo
First 100 Days Landing Page*

FIRST 100 DAYS: FEDERAL FUNDING PAUSE





FIRST 100 DAYS: FEDERAL FUNDING PAUSE

NACo is Gathering Information on Federal Funding Decisions

- What grant funded this project?
- How has it been impacted?
- Which Federal Agency oversees this funding?

Email information to
mritacco@naco.org
and
ehurley@naco.org.

FIRST 100 DAYS: DIRECT COUNTY INVESTMENTS

- Airport Improvement Program
- Consolidated Rail Infrastructure and Safety Improvements (CRISI)
- Federal Lands Access Program
- Transportation Infrastructure Finance and Innovation Act (TIFIA) Program
- FTA Capital Investment Grants
- Rail Crossing Elimination Grant Program
- Federal Transit Formula Grants
- Formula Grants for Rural Areas and Tribal Transit Programs
- Federal-State Partnership for Intercity Passenger Rail (FSP) Grant
- Essential Air Service
- Small Community Air Service Development Program
- National Infrastructure Investments Program (RAISE/BUILD/TIGER)
- Rural Surface Transportation Grant Program
- Nationally Significant Freight and Highway Projects (INFRA) Program
- National Infrastructure Project Assistance
- Safe Streets for All Program
- Reconnecting Communities
- Port Infrastructure Development Program
- Passenger Ferry Grant Program
- Good Neighbor Authority
- State and Private Forestry Hazardous Fuel Reduction Program
- Rural e-Connectivity Pilot Program (ReConnect Loan and Grant Program)
- Human Services grants in 10 states.
- Community Connect Grant Program
- Secure Rural Schools and Community Self-Determination
- Direct Subsidy Bonds (Build America Bonds, Qualified Zone Academy Bonds and Qualified School Construction Bonds)
- Digital Equity Competitive Grant Program
- Broadband Equity, Access, and Deployment (BEAD) Program
- Broadband Infrastructure Program
- Middle Mile (Broadband) Grant Program
- State and Local Cybersecurity Grant Program
- Universal Service Fund – Schools and Libraries
- Universal Service Fund – Lifeline Program
- Weatherization Assistance Program for Low-Income Persons (WAP)
- Energy Efficiency and Conservation Block Grant (EECBG)
- Clean School Bus Program
- Clean Heavy-Duty Vehicles Program
- Clean Ports Program
- Climate Pollution Reduction Grants
- Healthy Communities Grant Program
- Reducing Lead in Drinking Water Grant Program
- Drinking Water System Infrastructure Resilience and Sustainability Program
- Clean Water State Revolving Fund (CWSRF)
- Drinking Water State Revolving Fund (DWSRF)
- Brownfields Program
- Water Infrastructure Financing and Innovation Act (WIFIA) Program

FIRST 100 DAYS: TARRIFS

Recently Announced Tariffs

- **Steel and Aluminum:** 25% tariff on all steel and aluminum in addition to existing tariffs
 - Apply to steel and aluminum products currently granted exemptions
- **Reciprocal Tariffs:** tariffs on any country that imposes tariffs on U.S. products

Implementation

- **China:** 10% tariff on all Chinese imports (Feb. 4)
- **Mexico:** Paused until at least March 1 – 25% tariff on all Mexican imports
- **Canada:** Paused until at least March 1 – 25% tariff on all Canadian imports; 10% tariff on Canadian energy products (in place)

Next Steps

- **Sectoral tariffs:** Pharmaceuticals, semiconductor chips, copper

TARIFFS ON
MEXICO AND
CANADA ARE
PAUSED UNTIL
AT LEAST
MARCH 1

FIRST 100 DAYS: POTENTIAL EFFECTS OF TARRIFFS

Agriculture & Rural Communities, Construction and Energy Costs

- County budgets may need adjustments to accommodate rising costs for infrastructure, housing, and social services.
- Counties invest more than **\$146 billion** annually in building, maintaining and operating physical infrastructure and public works, including transportation, water systems, ports, dams, hospitals, schools, libraries and courthouses.

Potential Long-Term Effects

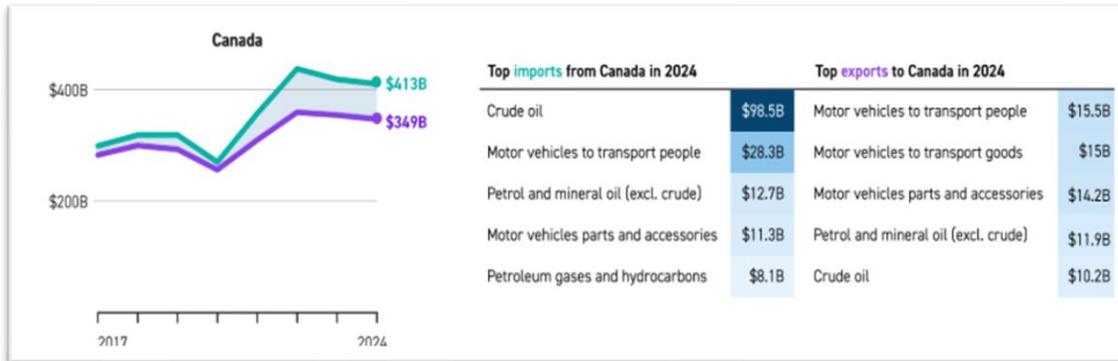
- Increased domestic production of tariffed goods.
- Leverage in global economic and foreign policy.

TRADE DEFICITS WITH CANADA AND MEXICO



Volume of trade in goods between the US and Canada, Mexico

Imports Exports



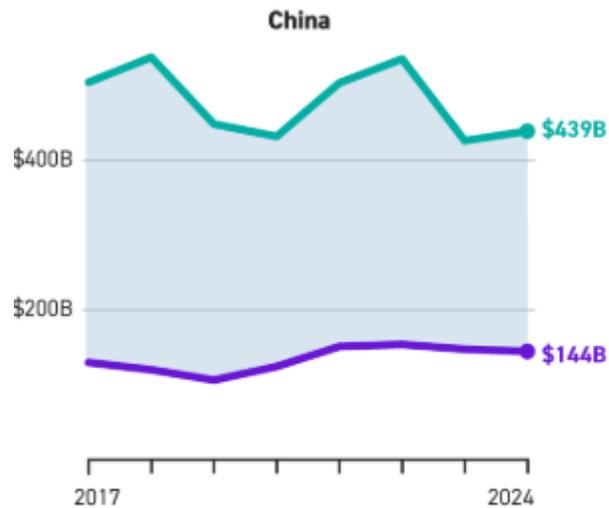
Source: Politico

TRADE DEFICIT WITH CHINA



Volume of trade in goods between the US and Canada, Mexico

Imports Exports



Top imports from China

Phone apparatus	\$50.9B
Magnetic readers, data processors	\$36.2B
Electric storage batteries	\$17.9B
Toys, scale models and puzzles	\$13.5B
Motor vehicles parts and accessories	\$9.4B

Top exports to China

Soybeans	\$12.8B
Civilian aircraft, engines and parts	\$11.5B
Electronic integrated circuits	\$8.7B
Vaccines, blood and antisera	\$6.7B
Petroleum gases and hydrocarbons	\$6.2B

Note: Data represents 4-digit HTS codes, and excludes special classification categories under codes 98 and 99.

Sources: Customs and Border Protection, Department of Homeland Security, U.S. Census Bureau

Source: Politico

FIRST 100 DAYS: COUNTY EXPENDITURES

What Are Expenditures?

All amounts of money paid out by a government during its fiscal year, excluding debt retirement, investment purchases, loans, and intra-governmental transfers.

These include:

- Community Health and Human Services
- Public Safety
- Education
- Public Amenities (e.g.: parks, libraries, etc.)
- Transportation and Infrastructure

Nearly
\$743
BILLION

Total county expenditures in 2022.
Money being used to **deliver essential services** to our communities.

2017 Figure: Over \$600 billion

FIRST 100 DAYS: COUNTY INVESTMENTS

	2022 Figure	2017 Figure
Health and Human Services	More than \$193 billion	\$163 billion
Infrastructure Expenditures	More than \$146 billion	\$134 billion
Justice and Public Safety	More than \$124 billion	\$107 billion
Educational Expenditures	More than \$121 billion	\$103 billion
Transportation	More than \$60 billion	More than \$60 billion
Administrative Expenditures	\$29 billion	More than \$22 billion
Sewerage and Solid Waste Management	More than \$26 billion	More than \$22 billion
Public Amenity Expenditures	More than \$22 billion	\$20 billion
Financial Expenditures	More than \$20 billion	More than \$20 billion
Housing and Community Development	\$17.7 billion	\$12.8 billion
Utilities	\$17.6 billion	\$16.3 billion

COUNTY INVESTMENTS HAVE INCREASED OVER THE LAST FIVE YEARS. MAJOR INVESTMENT CATEGORIES INCLUDE:

- Health and Human Services
- Infrastructure
- Justice and Public Safety
- Education

FIRST 100 DAYS: CABINET NOMINATIONS

- Tulsi Gabbard – U.S. National Intelligence Director
- Robert Kennedy Jr. – U.S. Department of Health and Human Services
- Brooke Rollins – U.S. Department of Agriculture
- **Lori Chavez-DeRemer – U.S. Department of Labor**
- **Linda McMahon – U.S. Department of Education**
- **Howard Lutnick – U.S. Department of Commerce**
- Scott Turner – U.S. Department of Housing and Urban Development
- Pam Bondi – U.S. Attorney General
- Russ Vought – Office of Management and Budget
- Scott Bessent – U.S. Department of Treasury
- Doug Burgum – U.S. Department of Interior
- Sean Duffy – U.S. Department of Transportation
- Pete Hegseth – U.S. Department of Defense
- Kirsti Noem – U.S. Department of Homeland Security
- Marco Rubio – U.S. Department of State
- Lee Zeldin – Environmental Protection Agency Administrator
- Chris Wright – U.S. Department of Energy
- John Ratcliffe – Central Intelligence Agency Director

**THREE
ADDITIONAL
CABINET-LEVEL
NOMINEES
HAVE BEEN
CONFIRMED BY
THE SENATE
SINCE LAST
WEEK**

FIRST 100 DAYS: RECONCILIATION



Budget Reconciliation Process

- In its annual budget resolution, **Congress sets total spending, revenues, the surplus or deficit and the public debt.**
- The budget may also include reconciliation instructions. These instructions direct one or more committees to recommend changes to existing law to achieve specified changes in spending, revenues, deficits, and/or the debt limit.
- Budget reconciliation provides a fast-track process for consideration of bills to implement the policy choices embodied in the annual congressional budget resolution.
- In the Senate, reconciliation bills are subject to expedited procedures during floor consideration.

FIRST 100 DAYS: RECONCILIATION



Budget Reconciliation Process

1. Pass Budget Resolution

- House & Senate approve a budget resolution with reconciliation instructions (no presidential signature needed)

2. Committees Draft Legislation

- Directed committees write legislative text to meet budget targets.
- Submissions sent to the Budget Committees for compilation.

3. House & Senate Consideration

- Reconciliation bill introduced, debated, and amended.
- Senate debate limited to 20 hours; "vote-a-rama" follows.

4. Byrd Rule Compliance

- Senate rules ensure provisions relate to revenue/spending.
- Deficit increases beyond 10 years must be offset.

5. Final Passage & Presidential Signature

- House & Senate must pass identical text with simple majorities.
- Sent to the president for approval or veto.

FIRST 100 DAYS: RECONCILIATION



House Budget Blueprint – *Released Wednesday, Feb. 12*

Topline Numbers

- Deficit: \$4.5 trillion cap
 - 40 Expiring TCJA Provisions + other campaign promises
 - +\$900 billion
 - Growth to offset cost
- Debt Limit: \$4 trillion increase
- Mandatory Spending: \$300 billion increase
 - Armed Services Committee: \$100 billion cap
 - Homeland Security Committee: \$90 billion cap
 - Judiciary Committee: \$110 billion cap

Path Forward?

- Budget Committee consideration today
- Full House by end of month

HOUSE'S BUDGET
PROPOSAL CONTAINS
ONE BILL THAT
INCLUDES TAX CUTS,
BORDER AND
DEFENSE SPENDING
AND MANDATORY
PROGRAM SAVINGS

FIRST 100 DAYS: RECONCILIATION



House Budget Blueprint – Released Wednesday, Feb. 12

Spending Cuts – Totals a \$1.5 trillion floor (\$2 trillion goal)

- Agriculture Committee: \$230 billion (SNAP)
 - County administered in 10 states
- Education and Workforce Committee: \$330 billion
- Energy and Commerce Committee: \$880 billion (Medicaid)
 - Counties contribute to Medicaid in 25 states
 - 19 mandate counties to contribute to the non-federal share of Medicaid costs
 - 900 county-supported hospitals
- Financial Services Committee: \$1 billion
- Natural Resources Committee: \$1 billion
- Oversight and Government Reform Committee: \$50 billion
- Transportation and Infrastructure Committee: \$10 billion
 - Counties invest more than \$146 billion annually in infrastructure

HOUSE'S BUDGET
PROPOSAL CONTAINS
ONE BILL THAT
INCLUDES TAX CUTS,
BORDER AND
DEFENSE SPENDING
AND MANDATORY
PROGRAM SAVINGS

FIRST 100 DAYS: RECONCILIATION



Senate Budget Blueprint

Topline Numbers

- \$342 billion in spending over 4 years/\$85.5 billion per year
 - Border Security: \$175 billion
 - Defense: \$15 billion
 - Coast Guard: \$17 billion

Deficit Increases/Decreases

- Agriculture: Reduce deficit by **at least** \$1 billion (SNAP)
- Armed Services: Increase deficit by no more than \$150 billion
- Commerce: Increase deficit by no more than \$20 billion
- Energy and Natural Resources: Reduce deficit by **at least** \$1 billion
- Environment and Public Works: Increase deficit by no more than \$1 billion
- Health, Education, Labor and Pensions: Reduce deficit by **at least** \$1 billion
- Homeland Security and Governmental Affairs: Increase deficit by no more than \$175 billion
- Judiciary: Increase deficit by no more than \$175 billion

SENATE'S
RECONCILIATION
PLAN CONTAINS TWO
BILLS WITH THE
FIRST FOCUSING ON
BORDER AND
DEFENSE SPENDING

- Senate Budget Committee passed and floor vote anticipated next week

FIRST 100 DAYS: RECONCILIATION



How to Advocate for County Priorities

- **Educating Federal Policymakers about county role: Cut or cost shift?**
 - Infrastructure investments
 - Medicaid
 - Counties contribute to Medicaid in 25 states
 - Supplemental Nutrition Assistance Program (SNAP)
 - Counties are responsible for administering SNAP in ten states representing 34.3 percent of total participants (14.6 million people)
- **County Tax Policy**
 - Municipal Bonds
 - The tax-exempt bonds issued by state and local governments and nonprofit entities have financed more than **three-quarters of our nation's infrastructure**.
 - **SALT Deduction**
 - Allows counties to maintain authority over local tax structures.
 - Double standard: Businesses and landlords may deduct their state and local taxes

FIRST 100 DAYS: GOVERNMENT FUNDING

- Federal funding expires March 14
- House leaning towards a yearlong funding deal
- Projected final decision on path forward soon
- 2023 debt limit deal – outlines 1 percent increase in for nondefense and defense spending
- House and Senate Appropriators negotiating – Halted due to federal funding pause
- Federal Government “shutdown” possible

**FUNDING FOR
THE FEDERAL
GOVERNMENT
EXPIRES ON
MARCH 14, 2025**



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