

ILL. BUDGET IMPASSE TEARS HOLES IN COUNTY SAFETY NETS

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HOUSE LEADERS UNVEIL HEALTH CARE PLAN PG. 3



INTERIOR DEPARTMENT FUNDING BILL BLOCKS WOTUS PG. 5

NATIONAL ASSOCIATION of COUNTIES

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For overtime rules, one size does not fit all

By David Jackson
communications director

Jerrie Tipton, chair of the Mineral County, Nev. Board of Commissioners, testified June 23 before the U.S. House Subcommittee on Small Business on the constraints created for counties by the Department of Labor's new rule on overtime pay. The rule, which doubles the threshold under which white-collar employees are eligible for overtime pay to \$47,476, will hurt Mineral County's (population 4,478) ability to budget and provide services to its residents, Tipton said.

"The new rule would make 13 to 17 of our 102 full-time county employees eligible for overtime pay — an additional cost of up

See OVERTIME page 2

COUNTY PARKS GEAR UP FOR ZIKA

By Charles Taylor
senior staff writer

With the official start of summer and schools out, county parks are gearing up for their busy season. Playgrounds and parks will be teeming with visitors of all ages, frolicking in spray parks, kayaking on lakes and camping near streams.

One thing these activities have in common — water — also happens to be where mosquitos breed.

A recent National Recreation and Park Association (NRPA) survey found that one in four Americans plan to alter their outdoor activities this summer because of concerns about Zika-carrying mosquitos.

That led Richard Dolesh, NRPA's vice president for conservation, to wonder what, if anything, parks across the United States are doing differently to address public concerns. *County News* spoke with him after a recent NRPA webinar on Zika and parks. The association is a NACo affiliate.

"I made a few calls around to agencies in the Gulf states," he said, "and asked are you ready for Zika? What is your level of awareness?" He was "shocked" by how "all-over-the-land-

scape" the answers were.

Seventy percent of park employees work outdoors at some point during the year, he said, and they can be essential in identifying potential mosquito-breeding sites.

The Occupational Health and Safety Administration has issued interim guidance for protecting outdoor workers from occupational exposure to Zika virus where it exists. Because the virus poses the greatest risk to pregnant women, the agency recommends that employers, if requested by an employee, consider reassign-

It's that time of year.
FIGHT THE BITE

Protect you and your family against
ZIKA

www.montgomerycountymd.gov/mosquito



Alabama's counties set to recover online taxes

By Charlie Ban
senior staff writer

Alabama's new law for collecting online sales tax got a significant endorsement when Amazon signed on to start paying as of Nov. 1.

The Simplified Seller Use Tax Remittance Act, which was effective Oct. 1, 2015, is a voluntary agreement that sets an 8 percent flat tax rate for companies without a physical presence in the state. Amazon does not currently operate a fulfillment center in Alabama. Roughly 30 other internet retailers have also joined the program.

"If you want to remit sales taxes to Alabama, we'll make it as easy for you as we possibly can," said Sonny Brasfield, executive director of the Association of County Commissions of Alabama (ACCA). He confirmed Amazon's participation. "Sellers don't have to worry about where they're delivering, if it's in a city or a county, the revenue will be divided up."

ACCA designed the program and shepherded it through the legislative process in 2015. It is not related to the state's rule setting a \$250,000 threshold for internet retailers to collect sales tax that has drawn a lawsuit (see page 12).

Half of the tax revenue will go to the state, with 75 percent

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See SALES TAX page 12

Counties see casualties of Illinois state budget impasse

By Charles Taylor
senior staff writer

After more than 30 years, it's come to this. The DeWitt County Human Resource Center (DCHRC), a nonprofit safety-net service provider, is closing its doors. A casualty of Illinois' state budget impasse that recently entered its second year. The nonprofit agency receives 60 percent of its funding from the state.

DCHRC Executive Director Lynn Scoville announced the agency's pending, June 30 closure on Facebook: "Due to the State of IL's ongoing budget impasse we simply can no longer pay the bills for the operational expenses we need to stay open," she wrote.

The agency is the only licensed substance abuse treatment facility in the county. It

also operates a 24-hour mental health crisis hotline and provides addiction recovery services, among others.

Cook County Commissioner Deborah Sims, the current president of the Illinois Counties Association, had predicted such outcomes for counties. "What's going to end up happening is critical services are going to be cut — those providers that provide services to the most needy.... Those services are not going to be there."

At the root of the problem, the state Legislature and the governor have been unable to agree on a budget for FY16 or FY17. Democrats, who comprise a supermajority in the Legislature, are at odds with Republican Gov. Bruce Rauner's reform agenda to address the state's underfunded pension crisis, modify collective bar-

gaining laws and make the state more business-friendly.

DeWitt County's woes represent just a few of the ways that counties in the Land of Lincoln are being affected by the budget crisis.

In McLean County, about 130 miles south of Chicago, funding for the 911 call center is in jeopardy, according to Carlo Robustelli, a county commissioner. The service operates on locally collected fees distributed by the state.

"In the absence of an appropriations bill or a state budget, there is uncertainty as to whether we will actually get those fees," he said, though last year — budget impasse notwithstanding — the state came through with the funding. "But that's really no way to govern a state," he added.

One of the bigger concerns that county leaders share is the impact of the AWOL state budget on their local economies.

Illinois State University, the second-largest employer in McLean County, has had to "postpone hiring, freeze hiring and shed positions by attrition," Robustelli said. "It's really tying our hands in terms of growing the economy and growing the jobs in our community."

DeKalb County is another college town, where Northern Illinois University is the largest employer, with about 7,400 full- or part-time employees, according to the county's economic development corporation. "Their budget has been cut very deeply," said county Commissioner Ruth Anne To-

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Overtime pay rules overhaul ignores local labor markets



Mineral County, Nev. Commission Board Chair Jerrie Tipton testifies before the House Subcommittee on Small Business June 23 at a hearing concerning the impact of the Department of Labor's revised overtime rule. Also pictured (l-r): Christine Walters, representing the Society of Human Resource Managers; Albert Macre, National Federation of Independent Businesses; Tipton; and Adam Robinson, Job Creators Network. Photo by Alix Kashdan

From OVERTIME page 1

to \$45,000 a year," Tipton said. "This might not seem like a lot, but it poses quite a financial challenge since counties are limited in our ability to generate local revenue."

Tipton also emphasized that, while varying widely, counties are major public sector employers whose workforce provides essential services to more than 300 million residents and

should be partners with the federal government in creating labor policy that makes sense.

Unfortunately, the new overtime rule does not adequately address the substantial variations in local labor markets in counties across the country, she said, and will have broad consequences for counties and taxpayers, both direct and indirect, beyond those anticipated in human resource and workforce management. **EN**



STATS/SNAP

COUNTIES WITH LARGEST SHARE OF ECONOMY SUPPORTED BY INTERNATIONAL EXPORTS IN 2014

County	Population Size	Share of Economy
St. James Parish, La.....	small*	71.0%
Iberville Parish, La.....	small	69.3%
St. Charles Parish, La.....	medium *	65.8%
Hancock County, Ky.....	small	63.0%
St. John The Baptist Parish, La.....	small	60.6%

*small = fewer than 50,000 *medium = 50,000–500,000

Source: Brookings Institution "Export Monitor 2015"

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House leaders unveil blueprint for health changes

By Brian Bowden
associate legislative director

On June 22, House Speaker Paul Ryan (Wis.) and the House Republican Task Force on Health Care Reform unveiled a plan to restructure America's health care system. The white paper is the second installment of Ryan's A Better Way Campaign, which he calls "a full slate of ideas to address some of the biggest challenges of our time."

The blueprint represents the most comprehensive effort to date by Republicans to lay out an alternative health agenda, six years after the Affordable Care Act became law. Composed of majority leaders from the House Budget, Education and Workforce, Energy and Commerce, and Ways and Means committees, the task force calls for repealing the Affordable Care Act while recognizing the need to preserve employer-sponsored health insurance and protect vulnerable populations.

SPEEDREAD

Proposal requires Medicaid funding options that would shift costs to counties

Tying funding increases to inflation would leave Medicaid less able to respond to economic downturns

Cap on the tax exclusion for employer-sponsored insurance could limit counties' workforce benefits

While the 37-page report lacks full detail, its provisions would greatly impact counties' roles as health care providers. Counties annually invest \$83 billion in community health systems and deliver health services through 976 county-supported hospitals, 714 county-owned and supported long-term care facilities, 750 county behavioral health authorities and 1,592 county public health departments.

It proposes fundamental changes to the Medicaid program, a source of health cov-

erage for more than 70 million low-income Americans. The proposal would prevent states from having the option to expand the program and would require states to accept either a per capita cap or block grants, both of which would shift costs to counties.

Under the plan, beginning in 2019, each state would only receive a set amount of federal funding for four categories of beneficiaries — amounts based on 2016 averages. In addition to being adjusted only for inflation — which rises slower than health care costs — the Medicaid program would be unable to accommodate local economic downturns or con-

ditions. States opting out of a per capita cap would receive a block grant, which would have a similar undesired effect. As health care costs inevitably exceed the amount allotted by the federal government, states and counties would be left to bear the burden.

In most states, counties are required by law to provide some level of health care for low-income, uninsured or underinsured residents, often with strict limits on their ability to raise revenue. As an important source of health coverage for vulnerable residents, Medicaid reduces counties' costs for providing otherwise uncompensated care. Patient

revenue from Medicaid also helps counties retain doctors and other health professionals, especially in rural or underserved areas. Counties contribute approximately \$28 billion annually to states to help fund the Medicaid program.

Provisions within the report would also impact counties' roles as major employers and health insurance providers. It proposes a cap on the tax exclusion for employer-sponsored insurance, which could limit counties' ability to provide competitive benefits to their workforce of 3.6 million.

While the Task force recognizes that the 40 percent excise tax on employer-sponsored health insurance (also known as the Cadillac tax) is flawed, it stops short of suggesting a full repeal — which counties support.

NACo will continue to hold discussions with Congress to identify new and innovative strategies to reform the nation's health system, strengthen Medicaid and protect health benefits for employees. **CN**

NACo RELEASES UPDATED MEDICAID PRESENTATION

To further explain how counties are involved in funding and delivering Medicaid services and how this proposal could shift costs to counties and local taxpayers, NACo has released an updated legislative presentation — *Medicaid and Counties: Understanding the Program and Why It Matters to Counties*. Read it online at www.naco.org or <http://bit.ly/28SefQV>.

NATIONAL ASSOCIATION of COUNTIES TECHNOLOGY INNOVATION SUMMIT

July 21 & July 22 at the
2016 NACo Annual Conference in
Los Angeles County

www.NACo.org/TechSummit

NACoNext Gen plans to aid organizations that help, heal human trafficking victims

By **Germaine Schaeffer**
conference director

When over 2,000 county officials, experts from the private and nonprofit sectors and other leaders from across the country gather in L.A. County for NACo's Annual Meeting and Exposition next month, they won't just be gathering to learn best practices on how to strengthen their own counties.

They'll also be helping to strengthen the host county as participants in the NACo Next Generation Community Service Project. This year's selected charity is Saving Innocence, a local group that aims to end the commercial sexual exploitation of children and restore the cultural values of



innocence and human worth.

Human trafficking has become a large problem for all counties — both urban and rural — and will be the focus of several sessions at this year's meeting.

On Sunday July 24, a session titled "Identifying and Preventing Human Trafficking in Your County" will be presented with guest speakers from Saving Innocence, the Long

Beach Police Department Vice Investigations Section and the Los Angeles County Probation Department, Child Trafficking Unit.

The Women of NACo (WON) Reception on Monday, July 25 will also include a presentation from former Congresswoman Linda Smith, founder and CEO of Shared Hope International. The organization works to prevent the conditions that foster

sex trafficking and restore victims of sex slavery.

The NextGen service project, which will take place on Saturday morning, July 23, will include a short presentation from local leaders followed by service project participants' stuffing 150 backpacks with much-needed supplies for the victims of sexual exploitation in the Los Angeles County area. The bag contents include a change of clothes, basic toiletries and a letter of encouragement.

"NACo is proud to have partnered with L.A. County Supervisor Don Knabe, Wal-Mart, Nationwide and Aetna, who have provided generous donations to purchase the items for the bags," said Brian Namey, NACo public affairs director. **CN**

**SIGN UP NOW
FOR PROJECT
INNOCENCE!**

It's not too late to plan to join us in L.A. County to stuff bags for those fleeing sexual violence. Attendees can register for the activity for a fee of \$25; a \$100 donation will help fund a full bag. Use the form located in a link off the conference schedule to register today. This activity could help change a life.

**Make plans to join us on
Saturday, July 23 from
9:30-10:30 a.m. in Long
Beach.**

Parks departments, as large land managers, target mosquitos

From **ZIKA** page 1

fectected mosquitos be found in their communities.

Jai Cole, a natural resource manager for Montgomery County parks, and Chris Matthews, Mecklenburg County's director of nature preserves and natural resources, shared their approaches.

Why should county parks be preparing?

In many jurisdictions, parks departments are the largest single landholder or manager, Dolesh said. Their facilities often include natural and artificial bodies of water such as lakes, ponds and streams. Some campgrounds have pit toilets and portable johns, which can contain standing water.

Janet McAllister, a CDC specialist in insect-borne diseases, allayed fears about those facilities, noting that *Aedes aegypti*, the mosquito species that can carry the disease, prefers to breed in cleaner water. "I would not expect to see them in that kind of polluted envi-

ronment," she said. "They do prefer cleaner water than the *Culex* do." The *Culex*, commonly known as the southern house mosquito, has not been found to transmit Zika virus.

Cole said aerial spraying is not recommended because it can kill "beneficial" insects like honeybees. Plus, spraying "in some instances results in about 10 percent kill" of the disease-carrying mosquitos.

One questioner wondered about bioswales "that are not draining well that run for a mile along the length of a bike trail." McAllister said swales also aren't an attractive water source for Zika-bearing mosquitos — especially if they hold water long enough to breed natural mosquito predators such as dragonflies, fish and frogs, which feed on mosquito eggs and larvae.

"I've already gotten calls as the nature preserves guy that they're concerned about the wetlands in my nature preserve," Matthews said. In general, they needn't be. *Aedes aegypti*, the primary Zika vector,

prefers to lay its eggs in man-made containers of standing water — not moving or flowing water — that are prone to dry out, he said.

Storm water management facilities typically don't promote excessive mosquito populations because they drain water within a week or less (a shorter period of time than eggs need to mature to adult mosquitos), contain moving water and are breeding sites for mosquito predators.

With regard to park employees, Dolesh said 70 percent of employees work outdoors at some point during the year, and they can be essential in identifying and draining standing water. Train park operations and office staff to be on the lookout for potential mosquito habitat at nature centers, community centers and camps, Cole said.

McAllister said there's "no predictability" about where a locally transmitted Zika infection might first occur. The areas of greatest concern are the southernmost parts of Tex-

as and Florida. "Places where local dengue transmission has occurred in the past, so those are the areas, we think, where Zika might occur."

But though the risk elsewhere is lower, she noted that

in 2013 there was local transmission of dengue documented in New York, on Long Island. **CN**

To access NRPA's resources on Zika and parks, visit www.nrpa.org/zika.

ONE COUNTY'S ZIKA PREPARATIONS

Montgomery County, Md.'s parks department has mounted an extensive informational campaign to address the possibility of a locally acquired Zika virus infection.

Were one to occur, Jai Cole, natural resource manager for the county's parks, anticipates a barrage of inquiries from the public.

"In my experience, you can't fight hysteria with science," she said. "You have to get the facts out first before the hysteria hits, or you're a bit dead in the water."

The county has a task force with representatives from every county agency that could be affected by Zika, including health

and human services, environmental protection, permitting services and the state's department of agriculture.

Zika information is posted on the county's mosquito website, along with information about other mosquito issues.

Waiting in the wings, the county has created a "dark" website, not yet online, that can be activated immediately in the event of confirmed local Zika transmission. "We don't want to be fumbling around with responses or creating a site if it happens, so we want to be prepared."

The county's Zika information can be found at www.montgomerycountymd.gov/mosquito.

Senate, House Interior spending bills block WOTUS rule, fully fund PILT

By Julie Ufner and
Chris Marklund
associate legislative directors

Both the House and the Senate appropriations committees have passed their versions of the FY17 Interior, Environment and Related Agencies appropriations bill, often referred to as the Interior bill.

The overall funding level for both bills is approximately \$32 billion, a decrease from FY16 enacted levels. Of particular interest to counties, both the House and Senate Interior bills propose full funding of \$480 million for the Payments in Lieu of Taxes (PILT) program and include legislative language to prohibit implementation of the “waters of the U.S.” rule.

Within the Department of the Interior (DOI), both bills provide a slight increase over FY16 for the National Park Service, with the Senate proposing \$2.74 billion and the House proposing \$2.9 billion in FY17.

For the Bureau of Land Management (BLM), the Senate proposed a \$6 million increase over last year to \$1.24 billion, while the House proposed a \$10 million funding decrease to \$1.2 billion. Both chambers propose modest cuts to the FY17 budget of the U.S. Fish and Wildlife Service (FWS) to a final spending limit of approximately \$1.5 billion.

The Forest Service, which is under the U.S. Department of Agriculture, would receive \$5.2 billion in the FY17 Senate bill and \$5.3 billion in the House bill. Both proposals would fully fund the 10-year average for wildfire suppression costs and include targeted funding for wildfire fuel reduction.

Under both the House and Senate bills, funding for EPA would be slashed. The House version would allot EPA \$7.98 billion, which is \$64 million less than FY16 levels and \$291 million less than the Adminis-

tration’s request. The Senate bill would fund the agency at \$8.1 billion, which is \$31.2 million below FY16 enacted levels.

The fate of both Senate and House Interior bills remains uncertain. The annual legislation has become a lightning rod for controversial issues, including floor fights over funding levels and hotly contested environmental policy riders from both sides of the aisle.

Key provisions of interest to counties within the bills include:

PILT: Both Senate and House Interior bills propose to fully fund the PILT program in FY17 at a level of \$480 million. The PILT program was created in 1976 to offset costs incurred by counties for services provided to federal employees and families, the public and to the users of public lands.

Wildland Fire: Both bills include full funding for wildland fire suppression costs at 100 percent of the 10-year average. The Senate bill also includes legislative language supported by NACo that would provide a budget cap adjustment when wildland fire suppression costs exceed available funds, preventing the practice known as

“fire borrowing” in which other government accounts are raided in order to pay wildfire suppression costs. Both House and Senate bills include additional targeted funds to support proactive hazardous fuels reduction across the federal forest system.

Sage Grouse: Both House and Senate Interior bills include provisions to extend a one-year delay of Endangered Species Act (ESA) listing decisions for the Greater Sage Grouse. The House Interior bill includes a \$12 million increase for the Bureau of Land Management to support Sage Grouse conservation activities within the BLM while avoiding broad, sweeping land use restrictions; a similar provision in the Senate bill would provide a \$10 million increase.

Planning 2.0: During the House Appropriations Committee’s markup of the Interior bill, an amendment was offered by Rep. Mike Simpson (R-Idaho) that would withhold funding to implement the BLM’s Planning 2.0 rule until BLM has reopened the public comment period for an additional 90 days and has held in-person public meetings on the rule in each of 12 affect-

ed Western states, Texas and Oklahoma. NACo and many county governments continue to express concerns over the limited amount of time county governments were given to provide meaningful input on the BLM’s proposed rule.

Land-Water Conservation: The House bill provides \$322 million for LWCF programs, a reduction of \$128 million below the FY16 level and \$153 million below the president’s request. Within LWCF funds proposed by the House, state and local recreation and battlefield preservation programs are prioritized, with State Conservation Grants receiving \$71.8 million in FY17 and \$10 million for battlefield protection. The Senate bill includes \$110 for State Conservation Grants and \$10 million for battlefield protection.

Water Infrastructure Funding: The Senate bill contains more than \$2.37 billion for the Clean Water (CW) and the Drinking Water (DW) State Revolving Funds (SRF) program. This is an increase of \$113 million over FY16 levels. Specifically, the CWSRF would receive \$1.35 billion and the DWSRF gets \$1.02 billion.

Under the House bill, CWS-

RF and DWSRF programs would receive a combined sum of \$2.07 billion, of which \$1 billion would be allotted to the CWSRF, and DWSRF would receive \$1.07 billion.

NACo supports funding for both CWSRF and DWSRF programs. The CWSRF program funds municipal wastewater infrastructure construction or project upgrades, and the DWSRF program supports Safe Drinking Water Act infrastructure projects.

Both bills also include funding for the Water Infrastructure Finance and Innovation Act (WIFIA), which was enacted in 2014 but not funded. WIFIA is a five-year financing program that allows EPA to provide direct loans and loan guarantees for the construction of large water infrastructure projects.

For the first time, both the Senate and House appropriations bills fund WIFIA. The Senate allots \$30 million and the House proposes \$50 million. NACo supports funding WIFIA because it has the potential to significantly lower water infrastructure costs for large projects.

Leaking Underground Storage Tank Program: The Leaking Underground Storage Tank (LUST) Program provides grants to the EPA and states to undertake cleanup responsibilities around abandoned gasoline and petroleum storage sites. The House version of the Interior bill provides \$68 million for the LUST program.

The Senate bill provides close to \$66 million for LUST cleanup.

NACo supports full funding for the LUST program if those funds are used for their intended purpose of remediating and preventing further contamination caused from underground storage tanks.

“Waters of the U.S.” (WOTUS): Last year, the U.S. Army



Northern California Lodge Fire in Mendocino County, Calif. , August 2014

Congress hits back at new regulations

Congress is striking back at Obama Administration proposals to impose new ozone air quality standards and overtime rules.

Earlier this month, the House passed a bill that would delay implementation of EPA's 2015 National Ambient Air Quality Standards for ozone from 2017 until 2025. The bill, Ozone Standards Implementation Act of 2016, is an effort to rein in last year's action by the EPA to tighten ozone standards from 75 parts per billion (ppb), last set in 2008, to 70 ppb. In addition to delaying

implementation of the ozone rule, the bill, H.R. 4775 would increase the time period between future EPA reviews from five years to 10 years

Proponents of the legisla-

2008 standards.

Opponents claim that the bill would weaken the protections provided by the Clean Air Act. Rep. Frank Pallone (D-N.J.) called the measure

A more stringent ozone standard could have a significant effect on counties nationwide.

tion, sponsored by Rep. Pete Olson (R-Texas), argue that delaying implementation of the new rule is necessary to give states and local governments more time to implement the

"a radical change" that would fundamentally weaken EPA's ability to implement the Clean Air Act for the benefit of public health.

A more stringent ozone standard could have a significant effect on counties nationwide. Currently, 227 counties, primarily urban and in the East, are regulated under ozone air quality standards. Under the new 70 ppb standard, the number of impacted counties is expected to increase to over 350 counties.

The White House issued a veto threat for H.R. 4775.

Meanwhile in the Senate, Republicans introduced a resolution of disapproval (S.J. Res 34) aimed at stopping the Department of Labor's (DOL) new overtime rule. The measure, introduced by Sens. Lamar Alexander (R-Tenn.) and Ron Johnson (R-Wis.), has support from more than 40 other Senate Republicans, including Majority Leader Mitch McConnell (R-Ky.).

Introducing the resolution is the first step in halting the overtime rule. It would need to be passed by both chambers and signed by the president in order to take effect. However, the White House has threatened to veto any measures that would stop the rule. Republicans in both chambers of Congress have said they would consider using the appropriations process to prohibit the use of funds to implement the overtime rule.

The new rule, which amends regulations under the Fair Labor Standards Act surrounding overtime pay, doubles the maximum salary for eligibility from \$23,660 to \$47,476. The

rule will take effect on December 1, 2016 and applies to executive, administrative and professional employees — collectively referred to under FLSA as "white collar" workers.

The new rule has been hotly debated, receiving both strong support and opposition. Democrats and labor unions support the rule, arguing it ensures fair wages for workers. However, Republicans, small businesses, nonprofits and education institutions have strongly opposed it, arguing that the increased costs of the rule for employers will ultimately hurt

SPEEDREAD

House bill would postpone new ozone standard until 2025 from 2017.

Senate resolution would block implementation of new overtime rule.

Both measures face veto threats.

their employees.

When the proposed rule was first released last year, NACo expressed concerns over potential fiscal and administrative impact on county governments. Comments were submitted to DOL requesting an extension of the comment period to give counties more time to calculate the potential administrative and financial burdens of the proposed rule, and also requested that DOL conduct additional analysis on the impact on local governments. In addition, NACo led a delegation of local government officials to meet with the Office of Management and Budget to outline concerns with the proposed rule.

NACo will continue to monitor any legislation that would impact DOL's final rule. **CN**

(Eryn Hurley and Austin Igleheart, legislative assistants, and Julie Ufner, associate legislative director, contributed to this report.)

Both bills prohibit EPA's WOTUS rule

From INTERIOR page 5



Corps of Engineers and the EPA finalized controversial new definitions for "waters of the U.S." within the Clean Water Act. NACo has expressed multiple concerns over the rule's impact on county-owned and maintained roadside ditches, bridges, flood control channels, drainage conveyances, and wastewater and stormwater systems and has called for the final rule to be withdrawn until further analysis and more in-depth consultation with state and local officials can be completed.

Both the House and Senate bills contain provisions to prohibit EPA from acting on its WOTUS rule. The provisions would prevent the EPA from moving forward to "implement, administer or enforce" the rule even if the federal court system were to lift its stay on the rule.

The House Energy and Water Appropriations bill, which funds U.S. Army Corps of Engineers (Corps) and Department of Energy programs, has a similar provision preventing the Corps from enforcing the WOTUS rule.

The FY17 Interior bill is one of the 12 annual spending bills that must be passed each year by Congress to fund federal government operations. The bill gives money to federal land managers under the U.S. Department of the Interior and the U.S. Forest Service as well as U.S. Environmental Protection Agency and many other agencies. **CN**



HOLMES
COUNTY, FLA.

Introduced in: 2011

Designed by: Brandon Eldridge

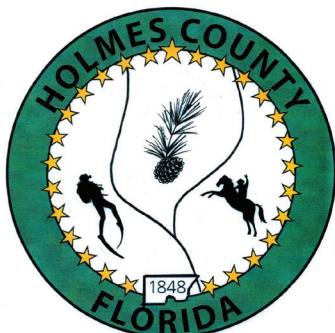
The Holmes County Chamber of Commerce received hundreds of submissions for its county seal contest, from 5-year-olds on up. But state police officer Brandon Eldridge's entry stood out to the judges. When he was told he won a \$2,000 prize for the winning design, he was so excited that he declined the prize, a decision his wife soon reversed. A landlocked county in northern Florida seems like one of the least likely places to find a scuba diver, but the Vortex Spring, a 140-foot-deep, 280-foot-long cave draws tourists from all over the country and the world. It's enough of a feature of Holmes County that when the Chamber sponsored its contest, a diver made the final cut.

Julia Bullington of the Holmes County Chamber of Commerce and Sherry Snell, administrative assistant to the Board of Commissioners, assisted.

The pinecone represents the distillation of turpentine from the region's pine trees, which cover Holmes County.

The 26 smaller stars represent the counties that were part of the state when Holmes County, represented by the larger star, was formed in 1848.

The lines separating parts of the seal are in the shape of the Choctawatchee River (left) and Wright's Creek.



The rider celebrates the Northwest Florida Championship Rodeo, which has run for three days in October since 1944. Children are given free tickets to its Thursday night events and get the day off of school for Friday, which includes one of two parades. The proceeds raise money for children's programming.

MONEYMATTERS

Middle-class in the U.S. Stagnant, but Better than Our Neighbors

By Joel Griffith
program manger, FSC

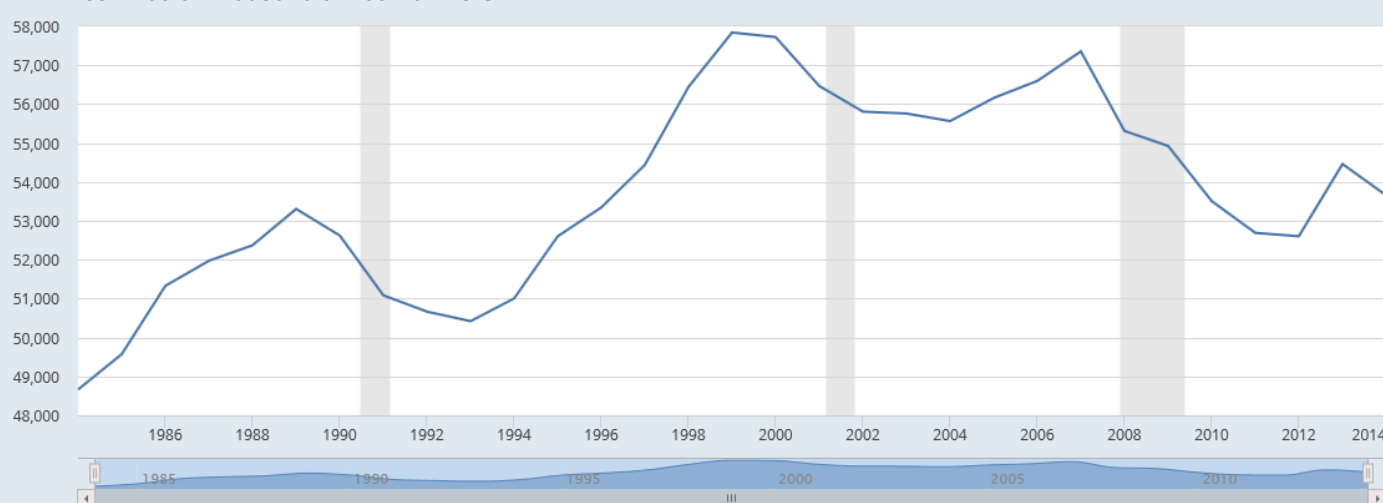
A new study by Pew Research finds that “the middle class is shrinking in most U.S. metropolitan areas.” U.S. Census Bureau data from 229 metropolitan areas for the years 2000 to 2014 revealed that 89 percent of these metro centers experienced a decrease in the share of the population considered middle class.

But this isn't entirely bad news as many of these formerly middle class earners migrated into the upper-class category. In fact, more than 75 percent of these 229 regions saw an increase in the percentage of residents qualifying as upper income.

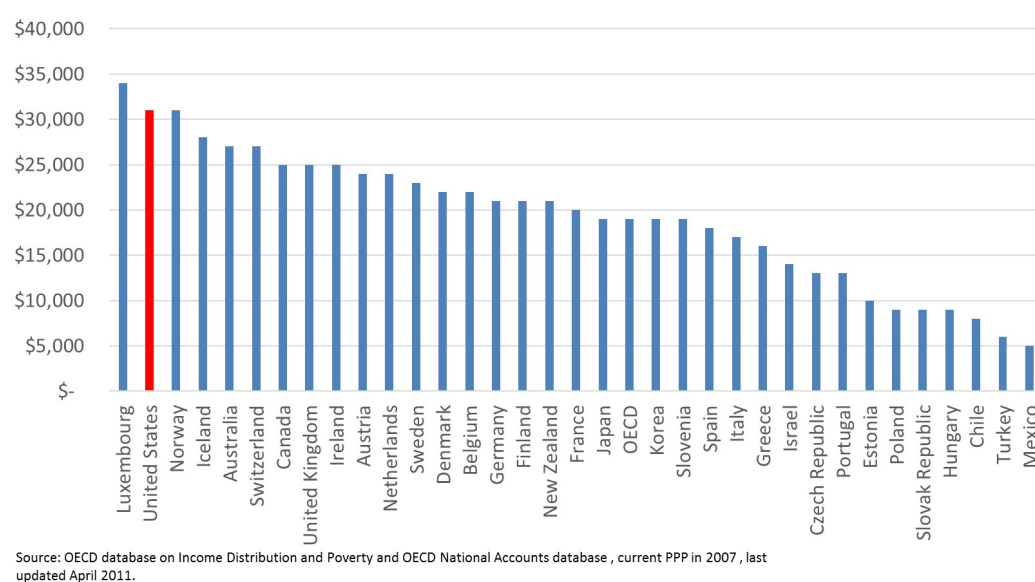
Yet, the percentage of lower income adults also grew in 70 percent of those regions. But what about those in the middle class itself? After decades of growth, middle-class households have experienced income stagnation over the past 16 years. Data from the Federal Reserve tell a similar story. After growing by more than 20 percent from 1984 through 1999, real median household income declined by more than 7 percent over the next 15 years. Data on median personal income stretches back further.

In constant 2014 dollars, income on a personal level leapt by more than 30 percent from 1974 to 2007. But by 2014, median personal income levels sank to the levels of 1998. Sentier Research crunches data from numerous government sources to provide more current monthly estimates of median household income. Even with the ongoing economic recovery, median household income in April 2016 remains

FRED: Real Median Household Income in U.S.



Annual Median Disposable Household Income



more than \$300 lower than that registered in January 2000.

Despite the current stagnation, we are doing far better than our peers in the developed world. A quick look at our fellow members of the Organization for Economic Co-operation and Development (OECD) bears testament to this success. The OECD consists of 34 of the world's most developed, wealthiest nations. How does the United States compare?

Data from OECD show that

median household disposable income of \$34,000 in the United States (adjusted for purchasing power parity) is exceeded only by Luxembourg. This nation dwarfs the OECD average by 78 percent — even eclipsing other wealthy nations such as Norway, Switzerland, Sweden and Germany. In fact, an analysis of OECD data by the Mises Institute found that 14 OECD nations (including Japan, Korea, Italy and the United Kingdom) have median incomes below that of every U.S. state after

adjusting for both taxes and social welfare benefits. Even Germany was eclipsed in median income by 41 U.S. States. The present stagnation must be addressed, but relative to its peers, the United States continues to excel.

For those struggling to secure a brighter economic future during this period of stagnation, this past success and our relatively better economic performance provide little solace.

What can be done to resume the once-steady improvement of the condition of those with-

in the middle class?

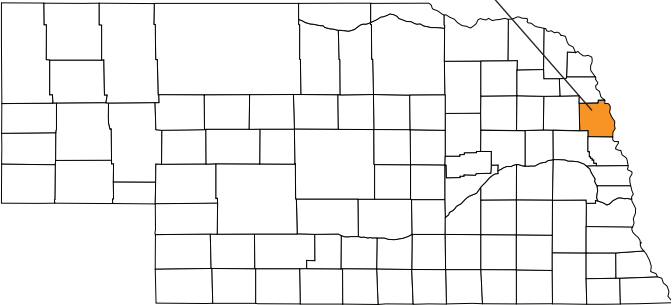
Policy makers must strike the proper balance between removing imprudent regulatory impediments to economic growth while at the same time ensuring that tailored regulations adequately address externalized costs such as pollution.

Perhaps most importantly, we must keep in mind that technological advancement can ensure higher output per each unit of labor and capital utilized. Government policies can create conditions hospitable or hostile to such advancement. Our economy continues to produce wealth in greater widespread abundance than any other civilization in human history. In the end, economic prosperity does not happen by chance. Let's hope the current pause in middle-class betterment ends swiftly as the country implements solutions based on contemporary applications of the factors, which created the middle-class boom of the 20th century. **CN**

(Griffith is a program manager for NACo's Financial Services Corp.)

New NACo Member
GET TO KNOW...

Burt County, Neb.



Burt County, one of seven original counties in the state, was formed in 1854 and named after the first governor of the Nebraska Territory, Francis Burt, a South Carolina politician. One of its three cities, Oakland, boasts a strong Swedish heritage and claims title to being the Swedish Capital of Nebraska.

WORD SEARCH

HOLMES COUNTY, FLA.

LEARN MORE ABOUT THIS FEATURED COUNTY IN 'BEHIND THE SEAL?'

Created By: Charles Taylor

M P G R O U C B P I N P Q I T Z U Z I Q
X O X H X V B E N O L M E B X N J U X E
S N E B K G C J N W N N T C Y N Z Q S D
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X L O D D T B S O Z X Z P R P N H F O G

BETHLEHEM Unincorporated community
BONIFAY County seat and largest city
DOMINIKERS Reputed biracial and tri-racial residents, believed to be descended from Spanish, African and Native American ancestors
ESTO Town in the county
GENEVA Alabama county to the north
GULF OF MEXICO Thirty miles to the south
HOLMES CREEK County's eastern border

JACKSON County to the east
KEITH CABIN Structure on the National Register of Historic Places
PANHANDLE Region of county's location
PONCE DE LEON City named for Spanish explorer
TIMES-ADVERTISER Local weekly newspaper
WALTON Southwest adjacent county
WEEKAYWEHATCHEE Homes Creek's original Creek Indian name

Language interpretation and IT services now available through U.S. Communities contracts

America's major urban areas attract immigrants from across the globe and new translation challenges, as well. According to the latest numbers from the U.S. Census Bureau, anywhere from 126 to 192 languages other than English are spoken in homes throughout the country's major metropolitan areas. To manage the country's growing language diversity, the U.S. Communities Government Purchasing Alliance recently launched a new multi-year contract for interpretation and translation services with Language Select. Language Select provides language services in four main areas:

Telephone Interpreting: Language Select's service offers on-demand access to over 200 languages, 24 hours a day, 7 days a week, 365 days a year.

Video Interpreting: Professionals can translate more than 20 VRI (video remote interpreting) languages including American Sign Language. Interpreters are available via iPad or PC, and scheduling sessions can be done in advance using a touch-screen system.

On-site Interpreting: Services will be performed by court-certified, medical-certified or standard interpreters. Language Select staff will address requirements and send qualified interpreters to provide expert service. All interpreters are well versed in language nuances and cultural sensitivity, and commit to strict confidentiality, a high code of ethics, objectivity and accuracy.

Written Translation: Translation can be delivered at a flat, fixed cost or per-word rate, depending on the parameters of the project. Language Select's translators are HIPAA certified and abide by strict confidentiality agreements as well as best industry standards.

The contract was awarded through a competitive solicitation process conducted by the City of Chicago, Ill., which

served as the lead public agency. For more information, please visit www.uscommunities.org.

In other U.S. Communities news ...

U.S. Communities has awarded a comprehensive contract for technology services and solutions to four companies: Unicom Government, Inc., Carahsoft, DLT Solutions and Insight Public Sector.

The supplier partners will provide services and solutions as detailed below:

Technology Services, Solutions and Related Products with UNICOM Government: UNICOM Government has designed and delivered a full range of IT infrastructure solutions including server virtualization, unified communications, document management, physical security and asset management.

Carahsoft: Carahsoft Technology Corp. is an IT solutions provider delivering best-of-breed hardware, software and support solutions to state and local government agencies since 2004. Services include Google Apps for Work (including Gmail, Google Calendar, Google Drive, etc.) and Chromebooks for Education.

Amazon Services with DLT Solutions: DLT provides expert knowledge and advice on Amazon Web Services (AWS) solutions, managed services and support, and fast and

cost-effective means to procure reliable, cloud-ready AWS solutions. Offerings will assist with high-performance computing, networking, storage and content delivery, database needs and disaster recovery, among other services.

Technology Products, Equipment, Services and Solutions with Insight Public Sector: Insight simplifies IT procurement by providing technologies, implementation skills and management expertise. Insight can help with hardware and software from the world's leading manufacturers, access to dependable, cost-effective solutions for IT procurement, planning, building and operating software, hardware and network infrastructures, and comprehensive lifecycle and IT management services. Among the partners available through the Insight Public Sector contract are: Apple, HP, Veritas, Cisco, Dell, Hewlett Packard, Panasonic, Microsoft and Symantec.

The multi-year contract was awarded through a competitive solicitation process conducted by lead public agency Fairfax County, Va.

The new technology suppliers will be available to answer questions at an interactive event and reception scheduled at the Tech Innovation Summit at the NACo Annual Conference in July in Los Angeles County. **CN**



Both parties share equal blame for the stalemate

From ILLINOIS page 2

bias, “and there’s a lot of uncertainty among state universities whether their students should enroll for the fall semester.”

Robustelli believes both parties are to blame for the stalemate. “I’ve been very disappointed to see the amount of time and energy spent on politicking and finger-pointing, as opposed to legislating and governing,” he said.

“While it’s clear that this is about scoring political points in the short term, these are real people that are being impacted, whether they are (college) students that have no idea whether or not they’re going to have the grant funding that they were promised for the upcoming academic year, or it’s an elderly person who relies on state ben-

efits to have their basic needs met, or someone suffering from severe mental-health-related issues that needs their medication. We’re seeing that entire network dismantled because of petty politics.”

There’s been talk at the state Capitol of a possible stopgap budget that would get the state through the end of the calendar year. But that still wouldn’t help counties in their own budget planning for FY17. Robustelli will take it, if that’s all lawmakers and the governor can agree on.

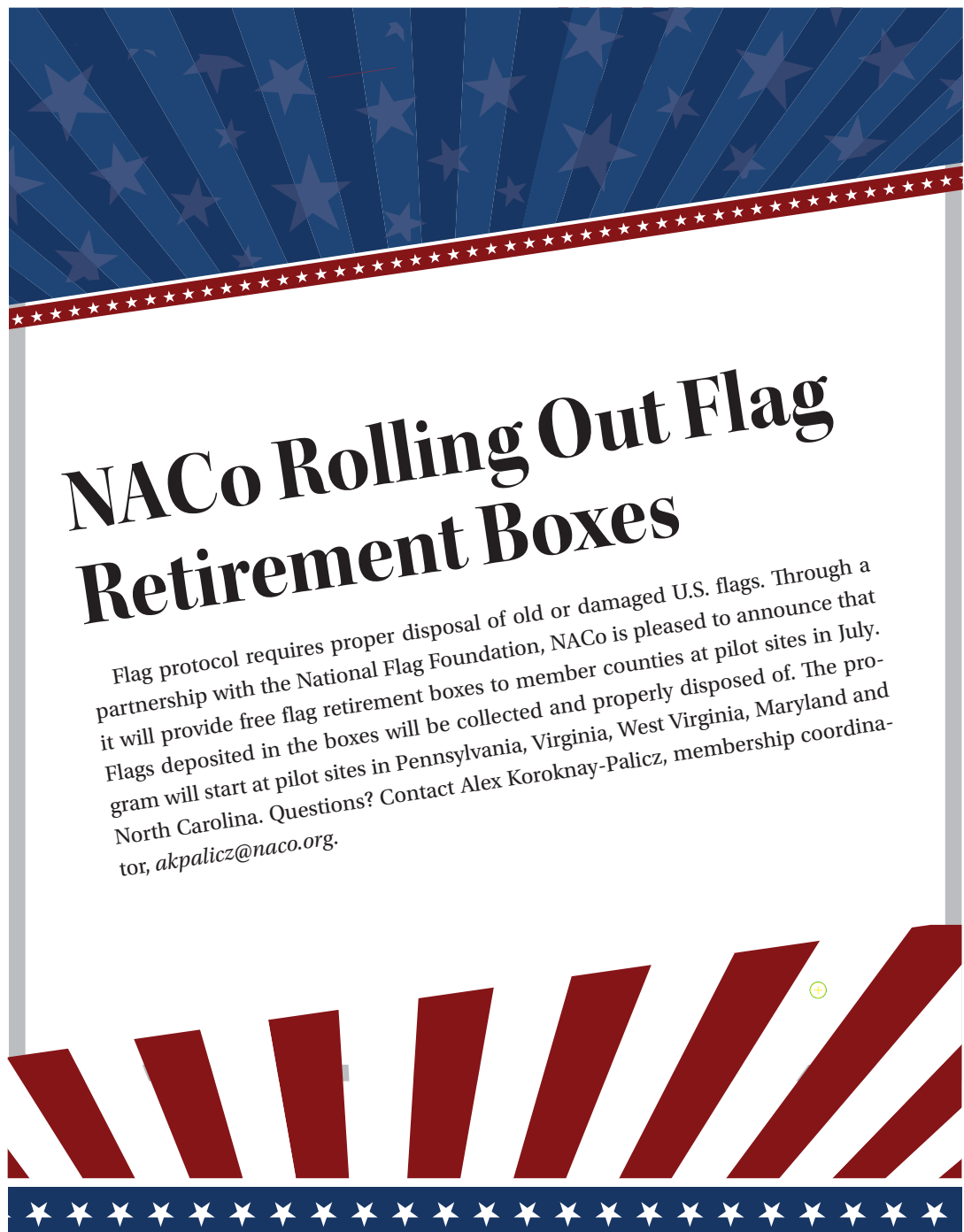
But he would prefer a full-year — or a multi-year — state budget that provides certainty over the long term, so that counties can “plan proactively” for their futures.

“We’re planning our budget now for 2017, so we make cer-

tain assumptions,” he added. “We don’t know what assumptions we should be making going into our budget-planning year, and that’s not ideal. It’s not the way I like to conduct business.”

Meanwhile, back at the DeWitt County Human Resource Center, Executive Director June Scoville hasn’t lost all hope. A GoFundMe online fundraising campaign remains active. But as of June 22, it had raised only \$880 towards a goal of \$125,000 goal.

“We have fought with everything we have to maintain these critical services in DeWitt County and we’ve made it 11 months,” Scoville wrote on social media. “But, the well is now dry.... we can no longer meet our operational expenses and our agency is in imminent danger of closing.” **CN**



NACo Rolling Out Flag Retirement Boxes

Flag protocol requires proper disposal of old or damaged U.S. flags. Through a partnership with the National Flag Foundation, NACo is pleased to announce that it will provide free flag retirement boxes to member counties at pilot sites in July. Flags deposited in the boxes will be collected and properly disposed of. The program will start at pilot sites in Pennsylvania, Virginia, West Virginia, Maryland and North Carolina. Questions? Contact Alex Koroknay-Palicz, membership coordinator, akpalicz@naco.org.

75% OF U.S. COUNTIES NOW NACo MEMBERS

Welcome New Member Counties*

Fresno County, Calif.	Copiah County, Miss.
Tulare County, Calif.	Burt County, Neb.
Paulding County, Ga.	Wyoming County, N.Y.
Union County, Ill.	Beaver County, Pa.
Morgan County, Ky.	

* New Members as of 6.27.16

ON THE MOVE

NACo OFFICER, COUNTY OFFICIALS

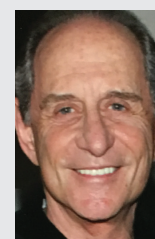
● First Vice President **Bryan Desloge** spoke at the New Mexico Association of Counties Conference, held June 22–24 in Lea County (Hobbs), N.M. and represented NACo at the White House’s Data-Driven Justice event, June 13.

● NACo President **Sallie Clark** spoke at the Arizona Association of Counties Annual Conference, held June 22–24 in Maricopa County (Phoenix), Ariz., and at the Association of Oregon Counties Spring Conference, June 12–14, in Umatilla County (Pendleton) Ore.

● **Harvey Ruvin**, Miami-Dade clerk of the circuit and county courts and past NACo president, was recently honored as the “Elected Official of the Year” by the South Florida Chapter of the American Society for Public Administration. Ruvin was acknowledged for his championing of digital technology and environmental causes.



Desloge



Ruvin



Morgan



Walsh

NACo STAFF

● **Jack Morgan**, program manager, represented NACo at the Shaping Our Appalachian Region (SOAR) Innovation Summit in Pike County (Pikeville), Ky., June 6. The meeting focused on economic transition and diversification efforts in the 54-county footprint of Eastern Kentucky.

● **Paul Beddoe**, deputy legislative director, participated, June 6, in a discussion with members of the Association of Minnesota Counties District 10 meeting in Ramsey County on NACo’s Medicaid inmate waiver proposal. District 10 comprises the Minneapolis-St. Paul metro counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington.

● **Nastassia Walsh**, program manager, presented NACo’s Stepping Up initiative at the National Association of Latino Elected Officials meeting in Washington, D.C. on June 23 and at the National Association of Rural Mental Health’s Annual Conference, June 15–18 in Cumberland County (Portland), Maine.

BRIGHT IDEAS | TEHAMA COUNTY, Calif.

Cabinet Shop Relieves Jail Overcrowding

PROBLEM: A California state law moved low-risk offenders from prisons to local lockups, leading to county jail overcrowding.

SOLUTION: Add a wood-working program to existing post-release options for probationers to teach job skills that could lower recidivism.

By Charles Taylor
senior staff writer

Sometimes you just get lucky. Richard Muench, Tehama County, Calif.'s chief probation officer, was searching for a site for a new day-reporting center.

He came upon a vacant lot near Mike Shaffer's cabinet shop in Red Bluff, the county seat. The two got to talking; Shaffer suggested the county lease his building — he was about to close up shop because of a bad back. Then synergy happened.

Instead of a day-reporting center, the two wondered, what about a wood shop training program for offenders on probation with Shaffer as the instructor?

Their idea became the Tehama County Woodworking Shop — a program that provides a new alternative to incarceration for low-risk felony and drug offenders and helps to relieve jail overcrowding.

"It was just a fortunate occurrence that I was driving around and we met one another," Muench said, "and we just started talking about how would we go about doing this."

The program, which began in January 2014, offers hands-on instruction in cabinetry, painting, millwork, finishing, woodworking and welding. Its ultimate goal is "restorative justice" — helping to restore offenders to productive lives and helping the offenders



A work in progress: Once finished, this ornate candy counter (made from donated mahogany and crafted by released and diverted offenders) went on to adorn the lobby of the historic State Theatre in Tehama County, Calif. Photo courtesy of Tehama County, Calif.

to restore their community, Muench explained.

The program is a response to California's Assembly Bill (AB) 109, a 2011 state law that shifted responsibility for low-risk felons from state prisons to county jails. But relieving prison overcrowding, had the opposite effect on local jails whose populations grew. Fortunately for counties, AB 109 did provide flexible funding to help them tackle the problem and try new things.

"Knowing that this program could benefit more than just AB 109 offenders, it was decided to make our ultimate target audience to be all criminal justice offenders," Muench said. That includes people in jail-diversion programs, parolees and those required to perform community service.

Muench took the idea to the Board of Supervisors in 2013, and they liked it. The board approved \$86,400 per year for the program's first two years to cover rent, pay Shaffer and purchase any materials that

would be needed. Muench credits the supervisors and Sheriff's Office for "taking the risk and supporting doing

'LITTLE LIBRARIES'

Beyond benefiting offenders, the cabinetmaking program has a reading program focused on kids so they don't become statistics in the criminal justice system, said Richard Muench, Tehama County, Calif.'s director of probation. The woodworking shop partnered with the county's department of education to build dollhouse-sized "little libraries" that are placed in schools throughout the county, where kids can pick up and exchange books for free.

"There's a well-known study that says if a child doesn't read at a third-grade level by third grade, they have an 85 percent greater likelihood of going to prison," he said. The county hopes the reading program will put an early clog the jail pipeline.

something different."

Since 2014, 62 offenders have gone through the program and 42 successfully completed it. Of them, 22 landed jobs, he said. The program has avoided \$207,150 in jail costs and has benefited the community with carpentry, welding and labor valued at \$203,360.

Among its projects, the shop has made plaques for a Boy Scout troop; crafted cabinets, countertops and shelving for the day-reporting center; and built a customized nurse's desk for a high school.

But the *piece de resistance* has been a mahogany and glass, copper-clad, concession counter for Red Bluff's historic State Theatre, made from donated wood.

Muench recalled attending a fundraiser at the venue with his wife when he recognized a former woodshop trainee proudly pointing out his handiwork to his own wife and kids. "It was evident the self-esteem that had been established, he said. "And here he is clean and so-

ber, and back with his family."

It bore out to him something Shaffer had told him.

"I'm thinking I'm going to create welders and cabinet-makers," Muench said. "And [Shaffer] said, 'Dick, what we're doing here is teaching them how to work, how to show up, how to take a break and come back, how to dress appropriately...how to be in the workplace, so don't think you're going to have a bunch of cabinet makers and welders, what we're teaching them is how to go get a job.'"

Alonzo Venegas, a program participant, called the training an "awesome opportunity," speaking to the *Red Bluff Daily News*.

"I can now put two pieces of metal together, and when I'm off the program I will be able to get a good job.... I've got a way better chance of going straight." **CN**

Bright Ideas features noteworthy and award-winning programs.

LEADERSHIP EDGE

Keep Your Ethics Fresh

By Mary McCarty
Mary McCarty Consulting

When the FBI arrived at my home, little did I realize that my long, public career was about to be over, and I would be sentenced to 42 months in federal prison.

I was a Palm Beach County commissioner for 18 years and an elected city official before that. It all came to an abrupt end in 2009, when I was charged by federal prosecutors with one count of Honest Services Fraud. I pleaded guilty.

In June of 2010, the U.S. Supreme Court changed the criteria for Honest Services Fraud to crimes involving bribery and

extortion — neither of which I was charged with. However, during my experience with the federal justice system, I learned that what one might consider a minor ethical lapse can easily be turned into a federal crime.

One such example is “indirect benefit.” Throughout my career, the standard espoused by attorneys was that to have a conflict of interests meant you were going to “benefit” from the vote. If there was any benefit, you are required to disclose the conflict and not vote on the issue.

In my case, my husband worked for Raymond James, a firm that did business with an agency of the county. Each commissioner made one appointment to the agency, but the agency was independent, making its own decisions on whom to do business with. No county money was involved. The County Commission had to approve those business decisions on its agenda. The votes were always perfunctory.



McCarty

I took the extra step to ask for an opinion from the State Ethics Commission. In their letter, they responded that if my husband benefited, I should not vote on the issue. Since they were not broader in their answer, saying instead that anytime Raymond James had an issue before the commission, I should abstain, I looked specifically at my husband's income as I interpreted the opinion.

Since all of the employees at my husband's firm worked on commission and anyone that did business with the county agency received the commis-

sion and not my husband, I believed it was my duty to vote on those agenda items. This approach went on for about two years, until my husband changed firms.

Ten years later, one of the issues federal investigators found was that I should not have voted on those agency matters because there was an indirect benefit to me.

I had never heard of the term “indirect benefit.” The federal prosecutor explained that any time my husband's firm received this agency's business, even though he was not compensated, it served to make the company more successful and viable. That, in turn, made the “lights stay on,” which was a benefit to my husband and therefore, me.

This interpretation had never occurred to me. I looked at the direct benefit of what would go into my family's pocket and did not look for any broader interpretation.

The longer one serves in office, I believe there is a tendency to take a narrower view of ethics laws. Rationalization can become the norm and start someone down a slippery slope. I was convinced I was not committing any crime.

There are more than 4,500 federal laws and more than 350,000 federal regulations, most with criminal penalties — ignorance of the law is not a defense.

My advice to all public officials is to look at each statute, law and regulation as it pertains to conflict of interests and disclosure, as broadly as possible, and always err on the side of the broadest interpretation.

You owe it to yourself and the public you serve.

To learn more, please join us at the workshop, *Leadership Ethics: Keeping Faith in Local Government*, Sunday, July 24, 9 a.m. at NACo's Annual Conference in Los Angeles County. **EN**

Engage your occupants and tackle energy waste together!

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BOOTCAMP 2016**

ENERGY STAR
EPA'S NATIONAL BUILDING COMPETITION

Registration closes July 17!

SIGN UP

Learn more and sign up to compete: energystar.gov/BattleOfTheBuildings

Maui County challenges decision to require NPDES permit

By **Bev Schlotterbeck**
executive editor

Like many counties, Maui uses injection wells to dispose of its treated wastewater in compliance with federal Safe Drinking Water and state environmental regulations. At least the county believed its Lahaina Wastewater Reclamation Facility met all applicable standards and had done so for decades. But the U.S. Dis-

trict Court in Honolulu believed otherwise.

In what could be generously called a “novel” decision, the court ruled that the Lahaina facility was subject to Clean Water Act parameters and required a NPDES (National Pollutant Discharge Elimination System) permit to operate.

The court based its decision on a concept dubbed the “conduit theory.” A familiar term in

financial and investment circles, the conduit theory, in this case though, was not about investments but about water and the paths it takes.

As explained by Maui County Council Chair Bill White, the court reasoned: All groundwater eventually makes its way to the ocean; groundwater is therefore a “conduit” to the ocean; consequently, discharge into the ground is legally the same as dis-

charge into the ocean.

“Maui County appears to be first entity in the nation to be affected by this interpretation of the law,” White wrote in a recent update to WIR members.

“It should be noted however, the conduit theory could also apply to groundwater making its way to lakes or rivers.”

The county has appealed the decision to the 9th U.S. Circuit Court of Appeals, based in San

Francisco. The 9th Circuit is often viewed as the most liberal of the appeals courts.

NACo, along with several other national and state associations including the California State Association of Counties, the National League of Cities and the International Municipal Lawyers Association, signed onto an amicus brief supporting Maui County’s effort to reverse the District Court’s decision. **CN**

PROFILES IN SERVICE

JULIE EHEMANN

2016 County Leadership Institute Commissioner Shelby County, Ohio

Number of years active in NACo: 3 years

Years in public service: 23 years

Occupation: Elected official

Education: B.A., pharmacy

The hardest thing I’ve ever done: Sitting out a year from college and going back after my finances allowed

Three people (living or dead) I’d invite to dinner: Abraham Lincoln, Theodore Roosevelt, Donald Trump

A dream I have is to: Skydive.

You’d be surprised to learn that I: Was considered shy as a child.

The most adventurous thing I’ve ever done is: Herd cattle in Montana.

My favorite way to relax is: Taking a walk on my farm with my dogs.

I’m most proud of: My daughter.

Every morning I read: Facebook.

My favorite meal is: Christmas Eve dinner with family.

My pet peeve is: People that don’t use their turn signals.

My motto is: Only you can let others intimidate you.

The last book I read was: *Dreamland*.

My favorite movie is: *Steel Magnolias*.

My favorite music is: ‘70s Rock.

My favorite president is: Lincoln.

My county is a NACo member because: We need to collaborate with other groups to assure the success of our county.



The most adventurous thing I’ve ever done is: Herd cattle in Montana.

Another move in the chess game to dismantle *Quill*

By **Lisa Soronen**
State and Local Legal Center

An internet retailer has filed suit against Alabama claiming its new rule requiring all retailers to collect sales tax if they sell more than \$250,000 in goods annually — regardless of whether the retailer has a physical presence in the state — is unconstitutional.

This lawsuit is the second of its kind. Earlier this spring, a lawsuit was filed against South Dakota challenging its law, which is similar to Alabama’s rule.

Last March, U.S. Supreme Court Justice Anthony Kennedy wrote a concurring opinion stating that the “legal system should find an appropriate case for this court to re-examine *Quill*.”

In *Quill Corp. v. North Dakota*, decided in 1992, the Supreme Court held that states couldn’t require retailers without an in-state physical presence to collect sales tax. Kennedy criticized *Quill* in *Direct Marketing Association v. Brohl* for many of the same reasons, the State and Local Legal Center stated in its amicus brief.

Specifically, internet sales have risen astronomically since 1992, and states are unable to collect most taxes due on sales from out-of-state retailers.

Congress could overturn the *Quill* decision but has repeatedly refused to do so.

Alabama’s rule, which became effective Jan. 1, was in-

tended to contradict *Quill* and unsurprisingly generated a lawsuit.

The Alabama lawsuit was filed in the Alabama Tax Tribunal while the South Dakota lawsuit was filed in state court. Regardless of the venue, if either of these cases reaches the Supreme Court, the states will face an uphill battle. To rule in favor of the states the administrative agencies or lower courts would have to abrogate *Quill v. North Dakota*, a step that any

Congress could overturn the *Quill* decision but has repeatedly refused to do so.

administrative agency or lower court would be more than reluctant to take. All administrative agencies and lower courts are required to follow rulings of the Supreme Court.

So probably South Dakota and Alabama will lose at every turn before either of the cases makes it to the Supreme Court. For Supreme Court review, four of the nine (currently eight) Supreme Court justices must agree to hear the case. **CN**

(Soronon is the executive director of the State and Local Legal Center, which was founded and is funded in part by NACo, and other state and local government partners.)

Amazon will collect taxes from online sales

From **SALES TAX** page 1

to the general fund and the rest to the education trust fund. Counties and cities will each receive one-quarter of the tax revenue.

“It takes the remote sellers out of the whole process,” Brasfield said. “They just have to make one central payment.”

The ACCA expects the tax to generate \$40 million to \$50 million in FY17 and perhaps double that the next year.

For remote sellers, participation offers protection from local government audits and changes in federal law that would remove current limits on collecting taxes on internet sales. Businesses registered as simplified-seller participants in would be able to continue collecting the flat tax in lieu of collecting and accounting for dozens of different local tax rates throughout the state.

“That’s been the selling point for the companies,” Brasfield said.

Morgan County Commission Chairman Ray Long, the current ACCA president, said in his county, the additional tax revenue would go to improving salaries for county employees and upgrading equipment.

“It’s funds we should have had years ago,” he said. “We’re glad these companies realize this is money due to counties; people who use the businesses are realizing it’s due.” **CN**

the HR DOCTOR

With Phil Rosenberg

Phil Rosenberg

The Fourth of July is a time of fireworks, barbecues, red, white and blue decorations, parades and flying the American flag. Most people are also pleased to have the day off from work — a paid day off for public employees.

For many, that is the essence of the holiday. Some others recognize the anniversary of the signing of the Declaration of Independence as well. The Fourth of July is a much more important commemoration than we may think or than we may have been taught in history classes — if those courses haven't been eliminated in budget reductions.

I offer the view that the Fourth of July is a celebration of journeys. They are journeys in the literal and in the figurative sense. They are journeys over time and journeys in the development of ideas and concepts. In this view, this holiday is a time of immense importance as a milestone in the history of our species.

In a way, the Fourth of July marks the “end of the beginning” of a long journey of debate and discussion about relationships in the New World between colonists or migrants and the mother country, England.

A critical decision point had been reached redefining the economic and political relationships for the colonists, and a time of imagination prevailed as they looked forward to what could possibly come to exist in a land of immense natural wealth and many shared hopes, fears and beliefs.

Although there have always been, and there will remain, massive differences of opinion on many issues in the country, the signing of the Declaration of Independence by colonial representatives created a significant

consensus. We've come to look at the signing of the Declaration as the moment of the birth of the country. It really was, however, a significant waypoint in a much bigger set of journeys. America is, after all, the only nation founded on moral principles, rather than principles such as hereditary rule.

The national journey, debate and evolution continue as we debate daily our relationships to a more complicated world; our policies toward millions of new migrants; our joys and confrontations with technologies; and our worries about the future.

The first Fourth of July celebrated west of the Mississippi River occurred in 1804 as Lewis and Clark's Corps of Discovery got an extra ration of alcohol and fired off their cannon. The day and the alcohol helped them rejoice about the birth of the new country. They were also looking at the incredible journey ahead and, as the very name of the expedition announced, at the extraordinary discoveries they might make.

Imagine traveling back to the Fourth of July of 1826 and witnessing the deaths, within hours of each other, of two of the most important figures in the founding of the nation: Thomas Jefferson and John Adams. These Founding Fathers were able to look back over two generations of the growth and development of their “child.” They would have noted intense arguments, revolts and national expansion.

They participated greatly in the emergence of the institutions that form the basic structure of the American government. They could look back at 50 years of an awakening of all that America could become, especially as they focused on the power of compromise and long-term vision. Indeed, their vision of consensus through compromise and abiding optimism made America the role model for the world that it has always been.

A generation later some of

the same basic concepts, which created and guided American development, were still very evident, when on July 4, 1857, the collection of poems called *Leaves of Grass* by Walt Whitman was published. Even then there was recognition of a balance needed between the beauty and harmony of nature and the compulsion to exploit and tinker with it. Whitman also ventured into a restatement of another basic principle in America's national philosophy.

That is, the importance of resistance against attempts by a central government to impinge on personal freedom or to tell the populace what to do and not do. In one of his poems, Whitman cautioned the states to “resist much, obey little.” He stated that once unquestioned obedience occurs, people and institutions become fully enslaved.

Whitman went on to talk about what could be thought of as the importance of respect for each other and the broadening of protections under the law that we enjoy in this country. He wrote “whomever degrades another, degrades me.”

Much of our country's continuing journey as the world's melting pot has been a search for the creation of opportunity without the entitlement to success. In other words, no person

deserves to be degraded, or as we might add now, bullied, sexually harassed or threatened with violence. However, none of us have a license guaranteeing success without contribution.

Another stop in the Fourth of July journey occurred in 1917. This one had the earmarks of debt repayment. The debt was of extreme importance to the American victory in the Revolutionary War.

In 1917, the first contingent of American troops arrived in France during World War I. Although it would be months until the “doughboys” had sufficient strength and training to make a substantial impact on the war's outcome, nonetheless, the arriving Yanks staged a parade in Paris to the rejoicing and tears of the people.

Their destination was Lafayette's Tomb. The commander of the parading troops, Col. Charles Stanton, spoke at the tomb in simple and eloquent words about that debt repayment. He said, “Lafayette, we are here!”

I'm sure General Lafayette would have appreciated the help and support of the United States in securing French freedom as much as the Americans appreciated what the French did at a time of great American need over a century-and-a-quarter earlier.

The arrival of the troops also signaled that America itself had “arrived” as a 20th century world power. This was a world in the midst of replacing animal power with machine power; an agriculture-based economy with a mass production one; and a local economy with a national and world economy. Much was changing. Much would continue to change.

On July 4, 1997 the first interplanetary remote-controlled Rover landed on Mars. It had journeyed 120 million miles.

The Rover hit the surface at 40 miles per hour. It bounced in its balloon-like covering 16 times before it finally came to rest. This landing is a metaphor for all the bouncing and impacts we often make politically and socially in the United States as we progress along in our continuing national journey.

The final waypoint in this article occurs within your very own family and inside yourself. It is the waypoint marked by whether you, your children and your community carry on the journey toward many more Fourth of Julys.

May the next 240 years be as full of wonder, peace and good stewardship for our country and our planet. May we care for and be civil toward each other.

Enjoy a spectacular holiday! **CN**

THE FOURTH OF JULY –

Continuing the Journey



NEWS FROM ACROSS THE NATION



ARIZONA

● **PIMA COUNTY** has begun construction of **SpacePort Tucson** and a building it will lease to World View, a local space technology firm.

The county signed an economic development agreement with World View in January in an effort to keep the company and the estimated 400-500 jobs it would create.

World View will lease the county-owned building for use as a headquarters and manufacturing facility. The county also will own SpacePort Tucson and contract with World View to manage the launch pad facility.

The company uses high-altitude balloons to launch research, communications and technology payloads to the stratosphere. It also is developing capsules to lift research scientists and eventually tourists to the upper reaches of the atmosphere, or so-called near-space.

● The **PINAL COUNTY** Attorney's Office (PCAO) restored thousands of case files in just a few days, after a computer virus locked them up making them inaccessible.

All told, the **virus corrupted 64,000 case files** and one laptop. PCAO's IT department fixed the files using a backup server.

The county is researching new anti-virus software designed to perform a more invasive scan for these types of infections.

"Ransomware" known as CryptoLocker holds files hostage until a fee is paid to decrypt them. PCAO did not pay any money toward the unencryption of the files.



CALIFORNIA

● A federal appeals court has upheld **YOLO COUNTY's** restrictions on **concealed-carry weapons permits**. In its ruling, the 9th U.S. Circuit Court of Appeals held that there is no Second Amendment right to carry concealed weapons.

Under California law, counties may opt to require individuals to prove they have "good cause" — such as a specific threat to their safety — before they can receive a concealed weapon permit, the *Sacramento Bee* reported.

Yolo County Sheriff Ed Prieto said the county currently has 308 active concealed weapon permits. "Most of these individuals have clearly established that they need to carry a concealed weapon, that their lives literally have been threatened," he said.

● **LASSEN COUNTY** voters rejected Measure G, a local referendum on whether to join the movement to **create a 51st state of Jefferson** from parts of northern California and southern Oregon. The mea-

ILLINOIS

MCHENRY COUNTY Treasurer Glenda Miller's office was in for a big surprise recently when two men came in to pay thousands of dollars in **real estate taxes with \$1 bills**.

One of them brought in two clear plastic bags — one containing about \$10,000 in ones and some coins to pay his business property tax. The other man brought a suitcase with neatly stacked bundles of singles — plus two dimes — to pay a \$5,734 bill.

As a county taxpayer herself, Miller said understood their frustration, the *Chicago Tribune* reported. "I understand your grief, but I don't know what you are going to prove by putting more burden on my staff in processing your payment," she said.



sure lost by a margin of 58 percent to 42 percent, according to *Lake County News*.

"All across the board, the politics of fear were rejected by the politics of hope and the 'Jeffersonians' were soundly trounced," said Jim Chapman, chairman of the county's Board of Supervisors.

Counties whose voters or supervisors are supportive of forming a new state include **TEHAMA, GLENN, MODOC, SISKIYOU, SUTTER** and **YUBA**.

HAWAII

Lawyers for **HAWAII, KAUAI** and **MAUI counties** were before the 9th U.S. Circuit Court of Appeals recently, seeking reversal of a lower court ruling that said they can't regulate **genetically engineered (GE) crops**.

Agri-chemical companies

and trade associations had sued each county, and the lower court rulings sided with the businesses.

Lawyers representing the counties contend that state laws don't specifically address genetically engineered crops covered by their ordinances. The counties argue that they have the right and obligation under their state-granted local authority to protect their residents, ABC News reported.

Arguing for the companies, attorney Chris Landau said, "The issue in this case isn't whether pesticides or GE plants should be regulated or what those regulations should be. The only question here is who does the regulating."

Monsanto and Dow Chemical have research farms in Maui County.

IOWA

DELAWARE COUNTY has joined the ranks of counties where **all-terrain vehicles (ATV)** can be driven on county secondary roads outside the city limits. There are restrictions, though.

Among others, an ATV can't be driven above 35 mph, and must have an orange flag attached. The drivers must be licensed to drive, or if under 18 years old, pass a state-approved ATV Education Course, KWWL TV News reported.

About 20 of the Hawkeye State's 99 counties allow ATVs to be driven on county roads.

MINNESOTA

HENNEPIN COUNTY became the first government in the Twin Cities region to buy in on a new effort to help preserve so-called **"naturally occurring" affordable housing**

Two of McHenry County, Ill. Treasurer Glenda Miller's employees count the thousands of \$1 bills that a local resident brought in as a protest to pay his taxes. Photo by Glenda Miller



in the metro area, according to the online MINNPOST.

The county's \$3 million will be combined with money from other sources to build a \$25 million fund that will be used to buy apartment complexes before they can be purchased by real estate investors and converted into market-rate housing. A hot real estate market is encouraging investors to purchase affordable apartment complexes, remodel them and increase the rents.

NEW MEXICO

So far, things are breaking well for **Breaking Bad** actor **Michael Quezada**, who narrowly defeated two other candidates in New Mexico's primary to snag a spot as a Democratic candidate in November's race for **BERNALILLO COUNTY** Commission seats.

He won 36 percent of the

vote and will face Republican Patricia Paiz in the fall, according to the *Albuquerque Journal*. A native of New Mexico, Quezada currently serves on the Albuquerque school board.

He played DEA agent Steven Gomez in the Emmy-award-winning AMC series.

NEW YORK

● Federal grants worth \$3.4 million will bolster **ERIE COUNTY's** proposed **lead poisoning reduction** effort.

County Executive Mark C. Poloncarz proposed a \$3.75 million program to hire more health inspectors and buy new equipment, and the County Legislature made the program contingent on federal funding, the *Buffalo News* reported.

● Twelve upstate counties are a little readier for their close-ups. The state Legislature recently passed a bill that provides additional **tax breaks for film and TV productions**.

Counties eligible for the 10 percent Film Production Tax Credit are: **PUTNAM, DUTCHESS, ORANGE, GREENE, ULSTER, COLUMBIA, WARREN, SARATOGA, WASHINGTON, RENSSELAER, SULLIVAN** and **SUFFOLK**.

Counties were already able to offer up to 30 percent discounts for media production work, according to the *Press & Sun Bulletin*.

OHIO

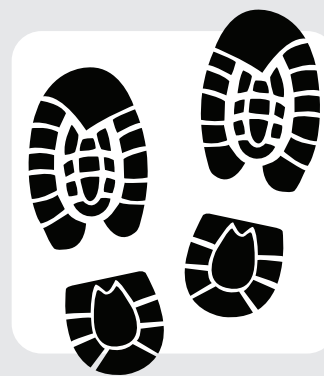
CUYAHOGA COUNTY is asking the U.S. Department of Health and Human Services to allow Medicaid to pay **larger drug treatment facilities**. Only 225 of the county's 400 beds are eligible for Medicaid reimbursement.

Federal regulations limit Medicaid payments to facilities with 16 or fewer beds. But the county, dealing with an opioid-use epidemic that has killed 200 through mid-June 2016, has requested a waiver.

The Associated Press reported HHS officials have agreed to work with the county regarding the waiver.

PENNSYLVANIA

● Hikers in any of nine **ALLEGHENY COUNTY** parks will have access to trail maps and more from a **new smartphone app**. Developed with information from county park rangers and a trail advocacy group, the app includes more than 180 miles of trails, coupled with GPS tracking and information about each trail.



● The City and **COUNTY of PHILADELPHIA** has become the first major municipality in the country to pass a tax on soda. The City Council approved a 1.5-cent per ounce tax on regular and diet sodas, June 16, adding 18 cents, for example, to a typical can of soda. The tax is expected to raise \$91 million annually.

Mayor Jim Kenney intends to spend the new revenue on expanding pre-kindergarten programs in the city; creating community schools; improving parks, recreation centers and libraries; and offering a tax credit for businesses that sell healthy beverages, according to various media reports.

It takes effect Jan. 1, 2017 and is expected to be challenged in court.

VIRGINIA

● Randomly selected homes in **FAIRFAX COUNTY** are getting visits from volunteers who are **surveying emergency plans**. The 59 members of the Community Emergency Response Team, a part of the county's fire and rescue department, ask if residents have plans in place for attacks or disasters and go into detail determining how much residents have prepared.

Results should be available to residents by the end of the summer, the *Washington Times* reported.

● **FRANKLIN COUNTY** is researching the possibility of **adding a police department**, along with its sheriff's office.

A police department would

assume responsibility for law enforcement and leave the sheriff's office in charge of courts, corrections and civil process, the *Roanoke Times* reported. Nine Virginia counties have both.

The Code of Virginia requires that a referendum be held to determine whether county residents would support the change.

WASHINGTON

SNOHOMISH COUNTY will debut a **drug take-back program** in 2017. Drop-off sites will be available in 175 places, including hospitals, pharmacies and other locations. Police stations accept medicines, but *The Herald* reported they cannot handle the volume coming in. Neighboring **KING COUNTY** is the only county in the state to operate a take-back program.

WEST VIRGINIA

An ordinance banning the storage, disposal or use of **oil and natural gas waste** in **FAYETTE COUNTY** was gutted by a federal judge.

U.S. District Judge John T. Copenhaver Jr. said the ordinance "violated portions of West Virginia Oil and Gas Act and the Safe Drinking Water Act and was unenforceable in allowing for civil enforcement actions against violators of the ordinance." This type of regulation, he said, was in the state Department of Environmental Protection's jurisdiction, *West Virginia Metro News* reported.

The County Commission passed the ordinance in January.

(News From Across the Nation is compiled by Charles Taylor and Charlie Ban, senior staff writers. If you have an item for News From, please email ctaylor@naco.org or cban@naco.org.) **CN**



TEXAS

A long-neglected **African-American cemetery** will get some maintenance help from **DENTON COUNTY**.

County staff will remove overgrown trees and brush from the cemetery and then return twice a year to care for the grounds. County officials have also started to survey the plots at St. Johns Cemetery and document the people buried there, the *Denton Record-Chronicle* reported.



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