

COUNTIES MATTER TO AMERICA

APRIL 2017



STRONGER COUNTIES.
STRONGER AMERICA.

COUNTIES' HISTORY AND DIVERSITY

No two counties are exactly the same. Counties are one of America's oldest forms of government, dating back to 1634 when the first county governments (shires) were established in Virginia. The organization and structure of today's 3,069 counties are charted under state constitutions or laws and are tailored to fit the needs and characteristics of the state and local areas.

Counties are governed by locally elected officials, including more than 19,000 county elected executives and commissioners and another 18,000 independently elected constitutional officers. Though organizational structures vary, all county governments are on the front lines of building healthy, vibrant and safe communities.

\$554.4 BILLION + 3.6 MILLION = 310 MILLION

\$554.4 billion total
expenditures annually

3.6 million county
employees

Services to almost
310 million county
residents

COUNTY MANAGEMENT

Counties provide vital services across America, including those mandated by federal and state policies as well as those requested by local residents. Counties often build and maintain parks, community centers, libraries and cultural centers. Counties are responsible for managing elections, from presidential to local. While balancing numerous administrative responsibilities, counties deliver essential services to ensure healthy, vibrant and safe communities across the United States.

There are

37,984

total county elected officials

CORE SERVICES

Public administration – records, elections and permits

Justice and public safety

Transportation and infrastructure

Health and human services

Community, economic and workforce readiness

Environmental planning and stewardship

FEDERAL POLICIES MATTER TO COUNTIES AND HAVE LONG-LASTING, OFTEN COSTLY IMPACTS ON LOCAL COMMUNITIES.

19,355

Board and commission members are primarily responsible for setting policy and budgets. Their titles include:

**Commissioners
Supervisors
Police Jurors
Freeholders**

18,629

Independently elected constitutional or row officers are responsible for specific county functions and departments, including:

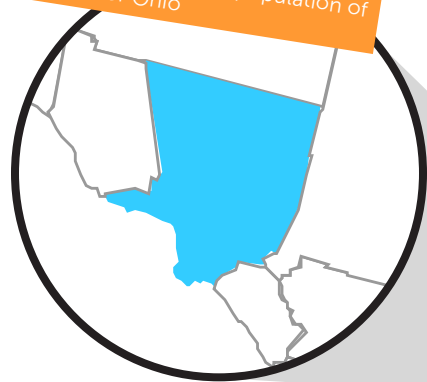
**Sheriffs
DAs/Prosecutors
Treasurers
Clerks
Recorders
Coroners**



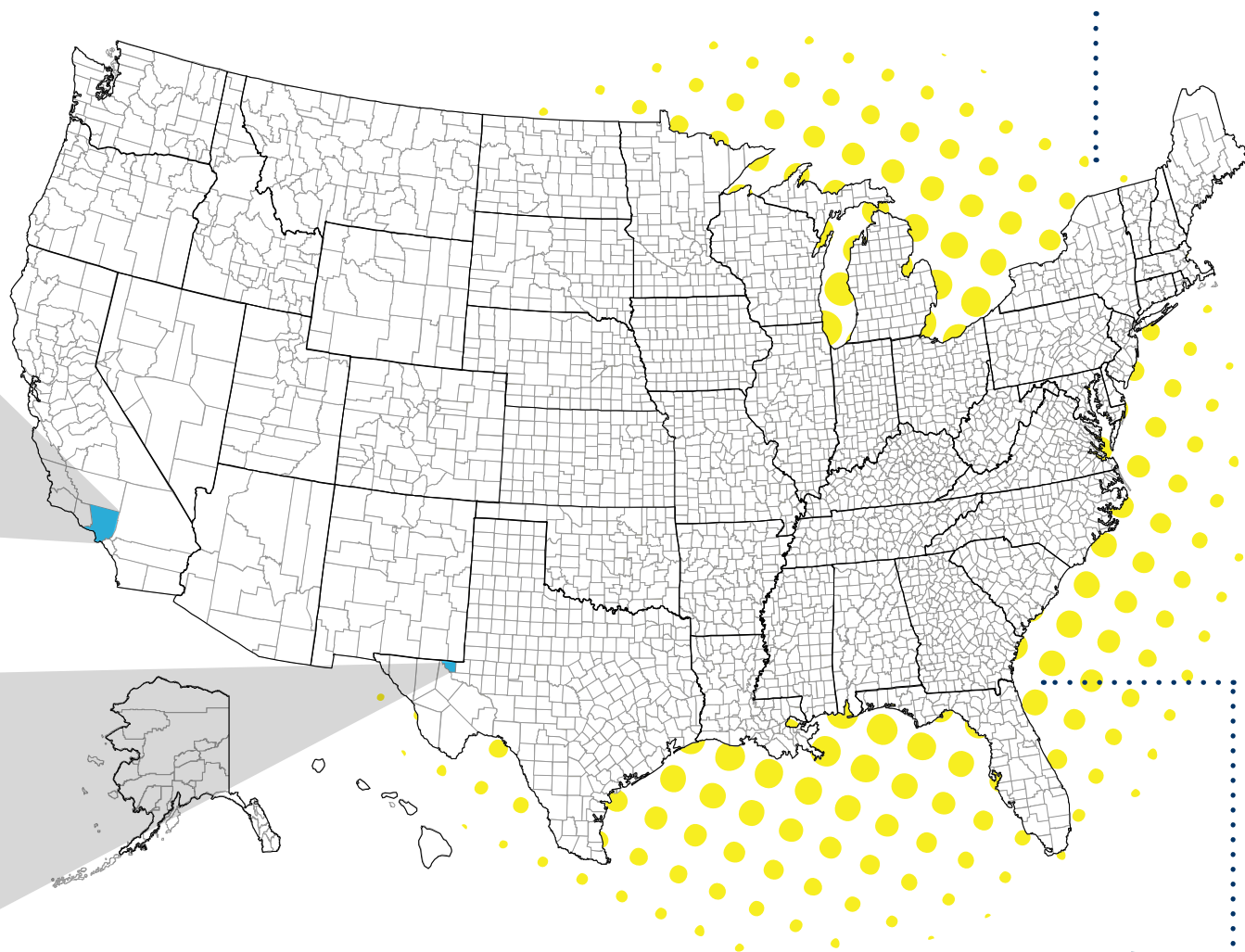
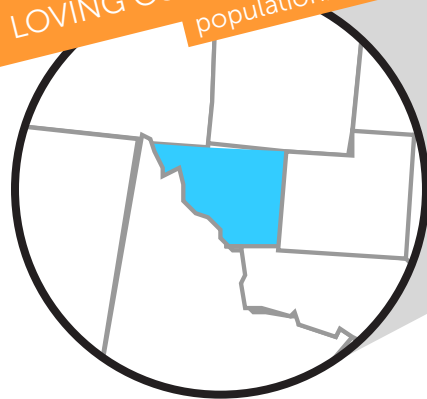
REGARDLESS OF SIZE,

COUNTIES MUST COMPLY WITH STATE AND FEDERAL MANDATES

LOS ANGELES COUNTY, CALIF.
population: 10 million
about the same as the population of
Michigan or Ohio



LOVING COUNTY, TEXAS
population: 112



Of 3,069 counties, 70% have
populations of fewer than 50,000

Nearly 50% of the U.S.
population lives in 145 counties

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COUNTIES INVEST IN INFRASTRUCTURE

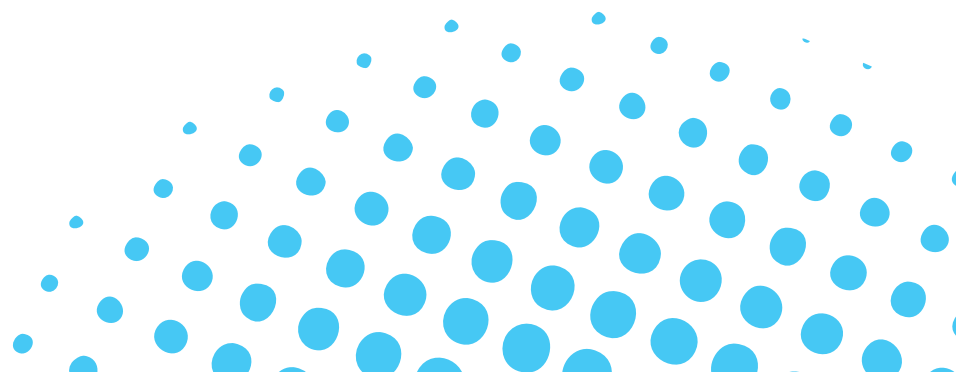
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Counties, localities, states and state/local authorities financed **\$3.2 trillion** in infrastructure investment using municipal bonds from 2003-2012.



Counties across the country have forgone over **\$26.1 billion** as a result of uncollected sales taxes on internet retailers in 2013.

90 percent of long-term state and local tax-exempt bonds funded the building of schools, hospitals, water and sewer facilities, public power utilities, public transportation and courthouses.



2

Three or More Property Tax Limits

Two Property Tax Limits

One Property Tax Limit

No Authority to Levy Property Taxes

Source: NACo interviews with state associations, as well as county and state officials; NACo analysis of state legislation.

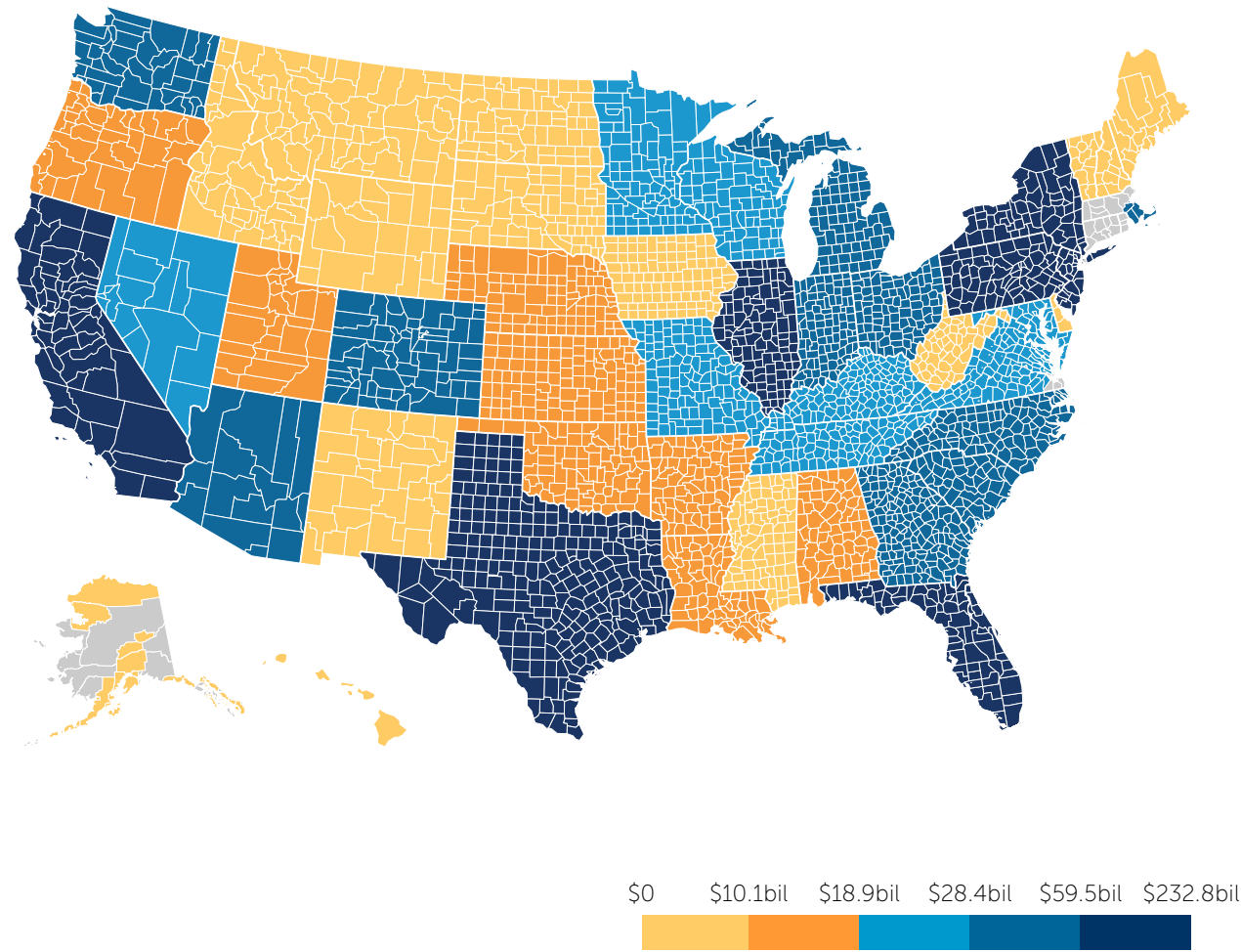
In most counties, **property taxes** are the **primary** general revenue source.

Forty-five states have some limitations on county property tax authority, which impacts the ability of counties to raise revenues.



STATEWIDE COST OF FULL REPEAL

2012 Municipal Bonds • Statewide Cost of Full Repeal



Source: NACo Analysis of Thompson Reuters, February 2013 data.

Counties, localities, states and state/local authorities **financed \$3.2 trillion in infrastructure investment** using tax-exempt municipal bonds from 2003–2012.

45% of long-term state and local tax-exempt bonds funded the building of **schools, hospitals, roads and other public facilities.**

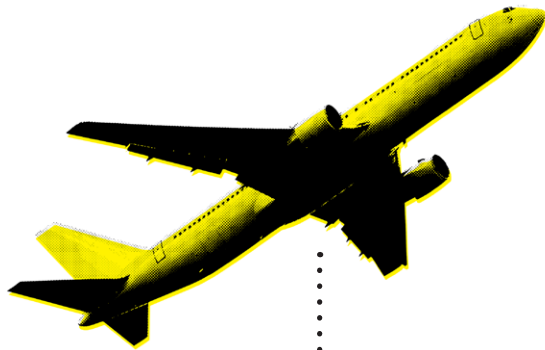
For 2003-2012, the debt service burden for state and local governments **would have risen by \$495 billion** if municipal bonds were taxable.



COUNTIES MATTER FOR TRANSPORTATION

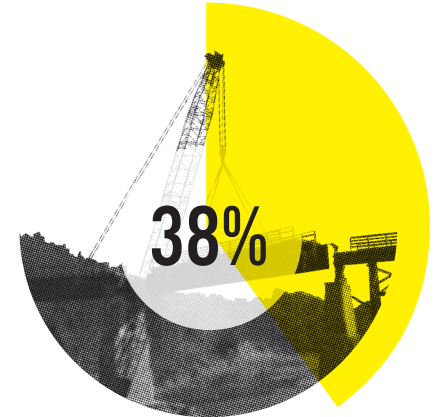
4

Counties play a critical role in connecting the nation's residents, communities and businesses.



Counties are involved in a third of the nation's public transportation systems and airports

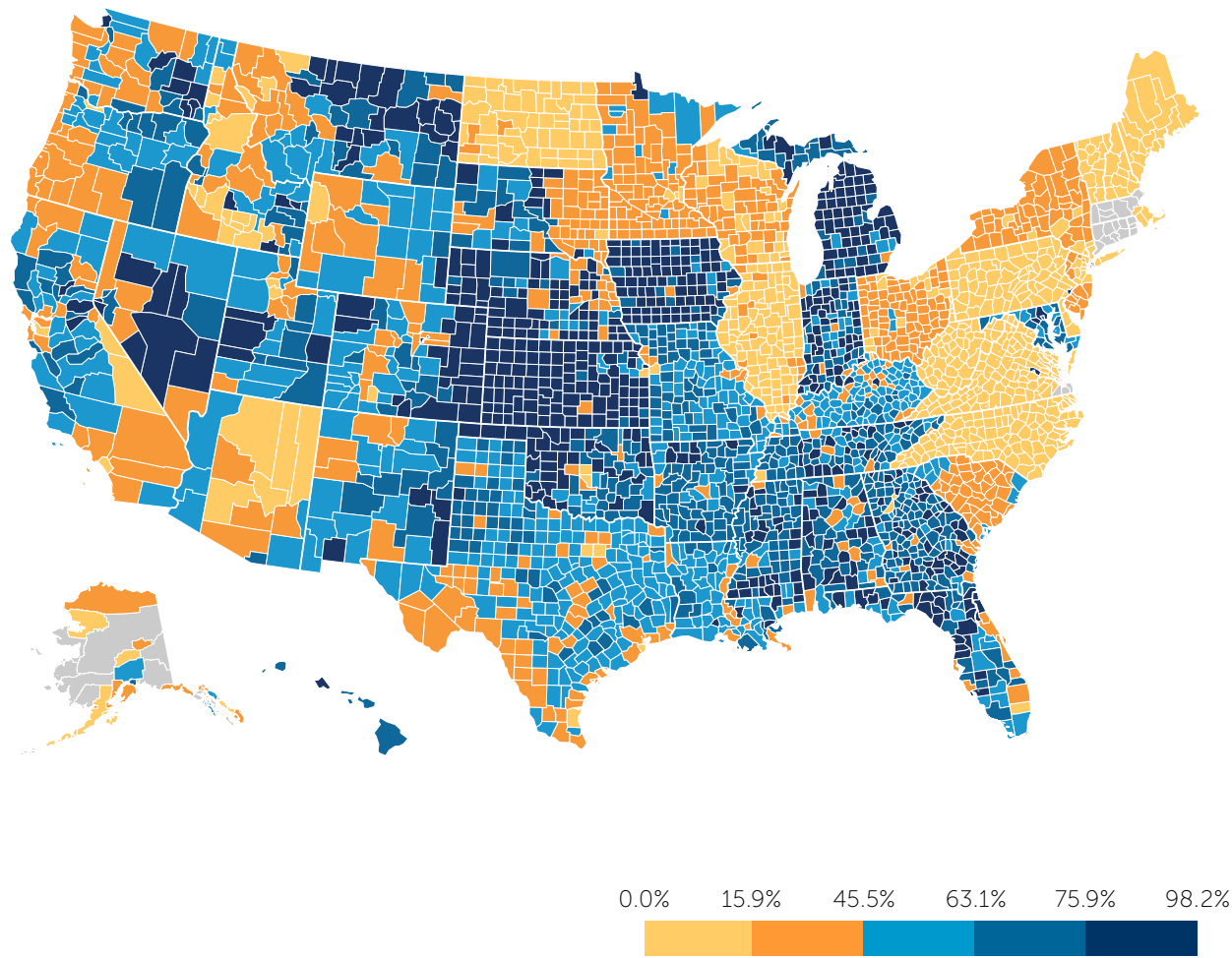
Counties own
1.9 million public
road miles



and **230,000**
public bridges

SHARE OF COUNTY-OWNED ROADS

2014 Road Ownership • Share County Highway Agency



Source: NACo Analysis of U.S. Department of Transportation – Federal Highway Administration, Highway Performance Monitoring System, 2014

Counties invest **\$122 billion each year** in public infrastructure, including roads and bridges.

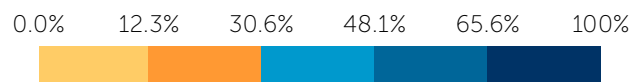
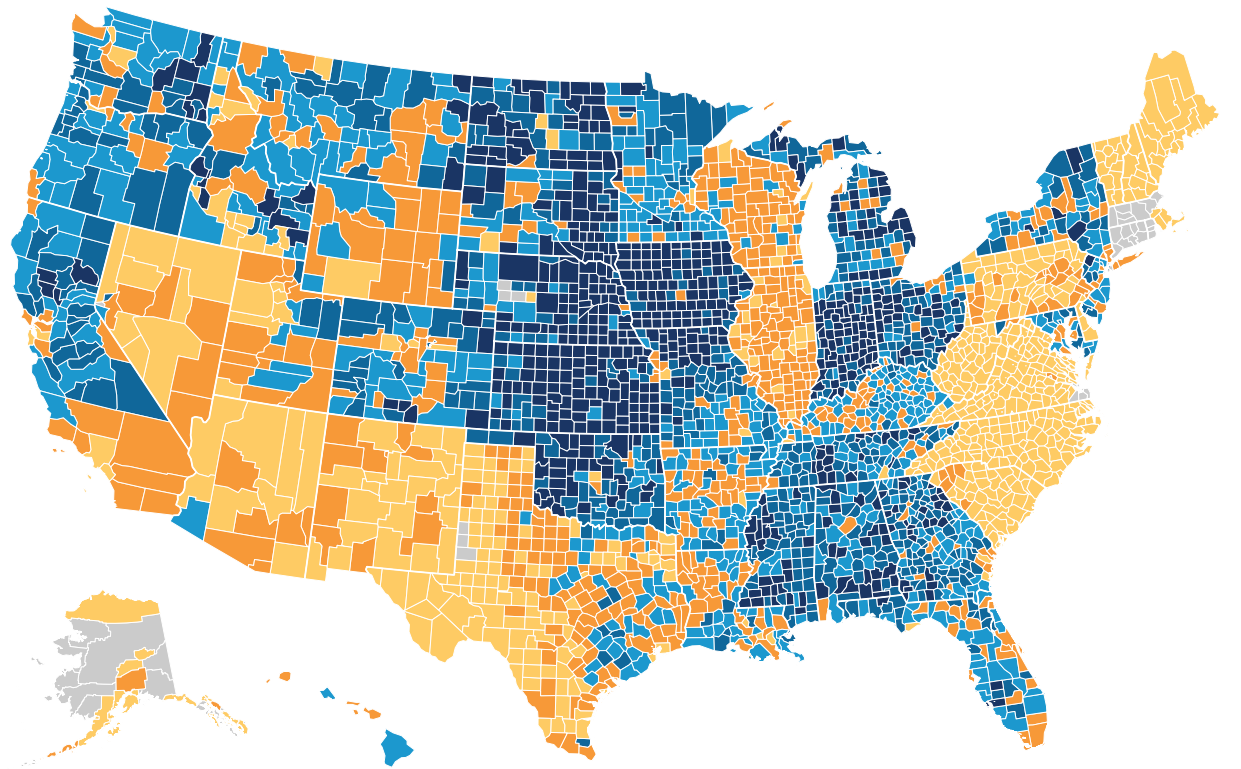
County transportation systems rely heavily on **tax-exempt municipal bonds, state and local tax revenue and the FAST Act.**

Over **70% of road miles** in Kansas, Iowa, Hawaii and Michigan are **county-owned.**



SHARE OF COUNTY-OWNED BRIDGES

2015 All Bridges • Share County Owned



Source: NACo Analysis of Federal Highway Administration - National Bridge Inventory, 2015

Counties own **230,000**, or **38%** of all public bridges.

Harris County, Texas has the **largest number of county-owned bridges, 786.**

Grant County, Oklahoma has a population of 4,500 and **509 bridges.**

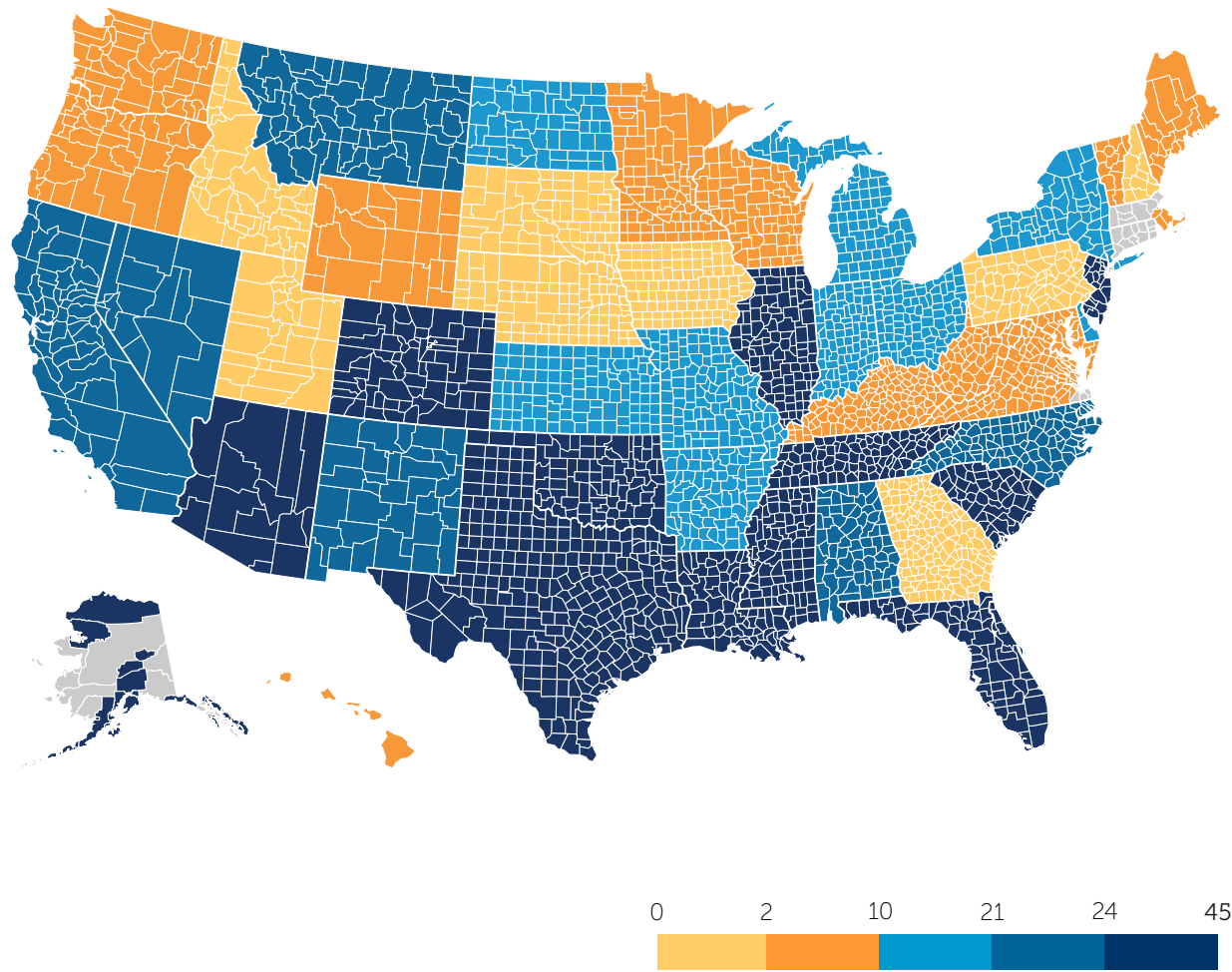
Over **70% of bridges** in Iowa, Kansas, Nebraska and North Dakota **are county-owned.**

The FAST Act preserved \$776 million annually for off-system bridges, primarily owned by counties.



YEARS SINCE LAST STATE GAS TAX INCREASE

2015 State Level Transportation, as of June 2015 • Years Since Last State Gas Tax Increase



Source: NACo Analysis of various sources, June 2015.

Eighteen states **have not raised the gas tax** in more than 21 years.

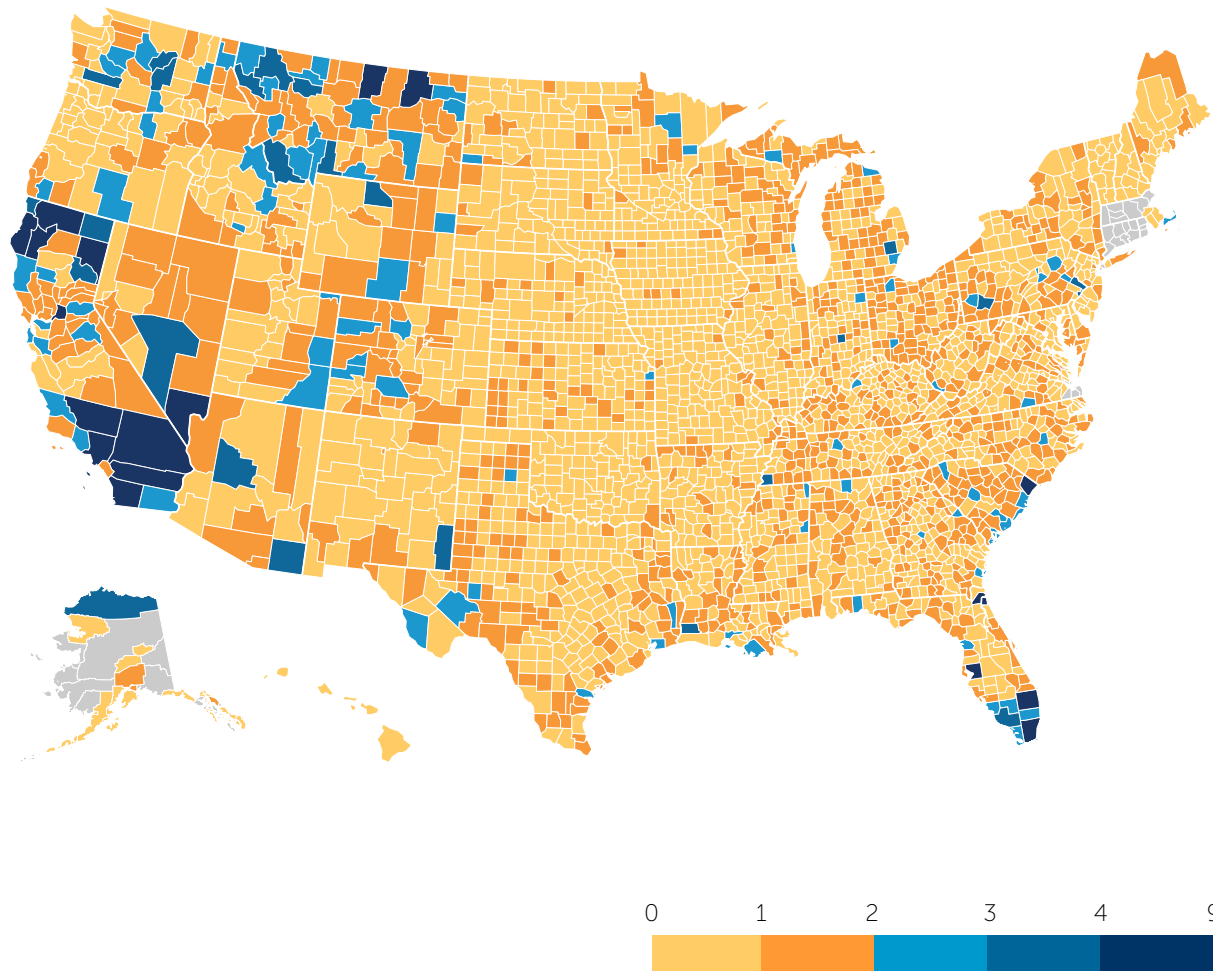
...that means over a **37% decline in the value of the gas taxes collected** due to inflation.

Fourteen states have tied their gas tax levels to **inflation, gas prices or energy costs**.



NUMBER OF COUNTY AIRPORTS

2016 Airports • County Airports



Source: NACo Analysis of Federal Aviation Administration and Office of Aviation Analysis,
U.S. Department of Transportation, 2016

San Diego County, California leads the nation in the number of county airports, **owning nine**.

If you fly into **Miami International Airport**, **McCarran International Airport Las Vegas** or **Memphis International Airport** you are using a county-owned or supported airport.

Airports are **key for economic development**, especially for global commerce and connections for rural areas.



COUNTIES MATTER TO HEALTH

9

Counties support the majority of the nation's more than **2,800 local health departments** to promote resident health and safety.

Through **750 behavioral health authorities and community providers**, county governments also plan and operate community-based services for persons with mental illnesses and substance abuse conditions.



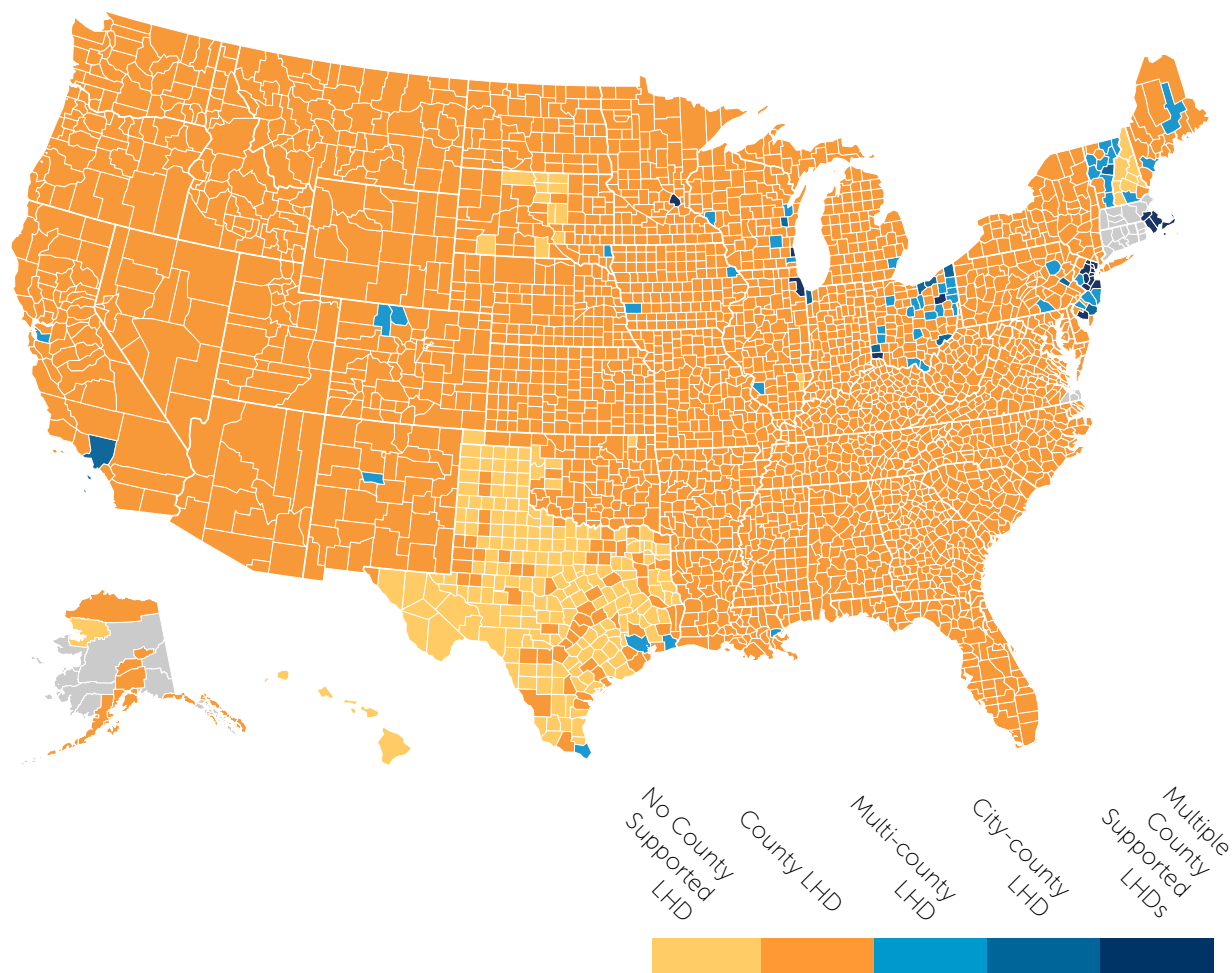
Counties invest over **\$83 billion** annually in community health and hospitals.



COUNTY-SUPPORTED LOCAL HEALTH DEPARTMENTS

10

2016 Local Health Departments • County Supported Local Health Departments (LHDs)



Source: NACo Analysis of NACCHO (National Association of County and City Health Officials) data, 2016

92% of counties have a county-supported local health department.

Counties invest **over \$83 billion annually** in community health.

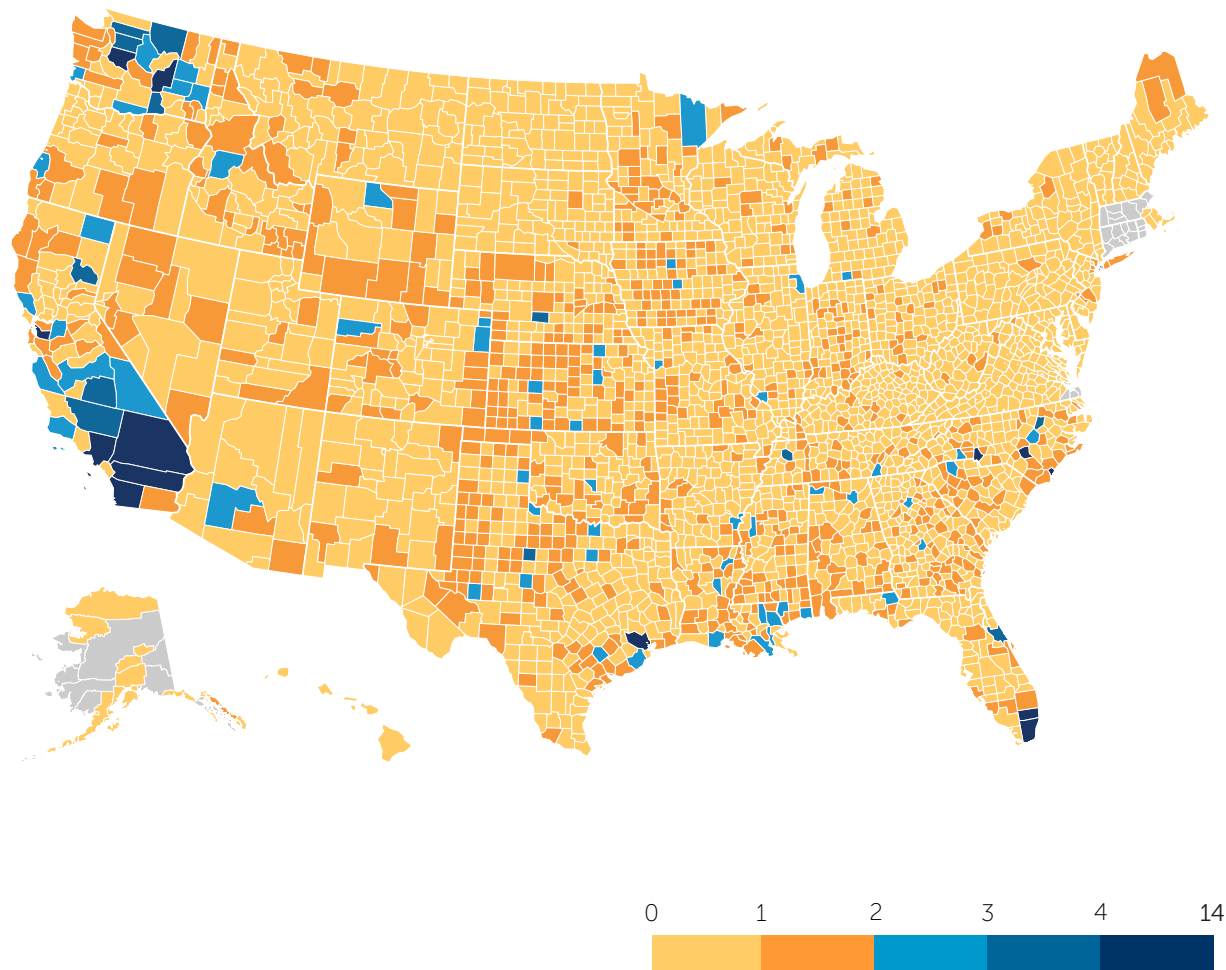
Local public health infrastructure is key to preventing and controlling infectious diseases and public health crises, **including viruses such as Zika and West Nile and the opioid epidemic.**

Counties play an important role **in providing vaccines and ensuring overall community health.**



COUNTY-SUPPORTED HOSPITALS

2016 Hospitals • Number of County Supported Facilities



Source: NACo Analysis of American Hospital Directory, 2016

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Top counties with county-supported hospitals:

New York, N.Y. (14)

Broward County, Fla. (10)

Los Angeles County, Calif. (6)

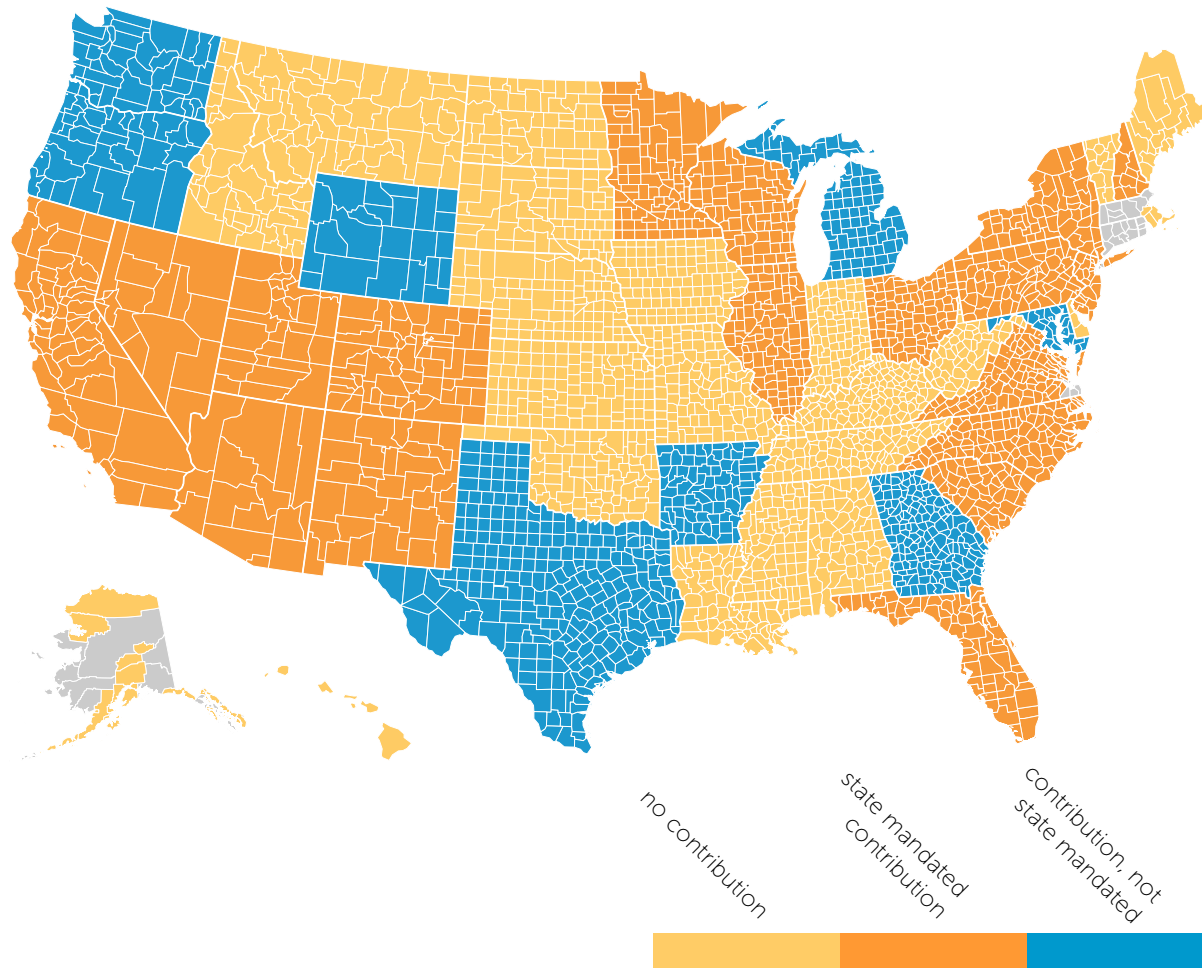
San Diego County, Calif. (6) and
Mecklenburg County, N.C. (6).

Counties support **more than
950 hospitals** across America.



COUNTY ROLE IN FUNDING MEDICAID

County Contributions to Medicaid • Medicaid Contribution Mandates



Source: NACo Research, July 2016

In 26 states, counties contribute to Medicaid. **Eighteen states mandate counties to contribute to a wide variety of Medicaid costs.** In another **eight states, counties contribute to Medicaid without a state mandate.**

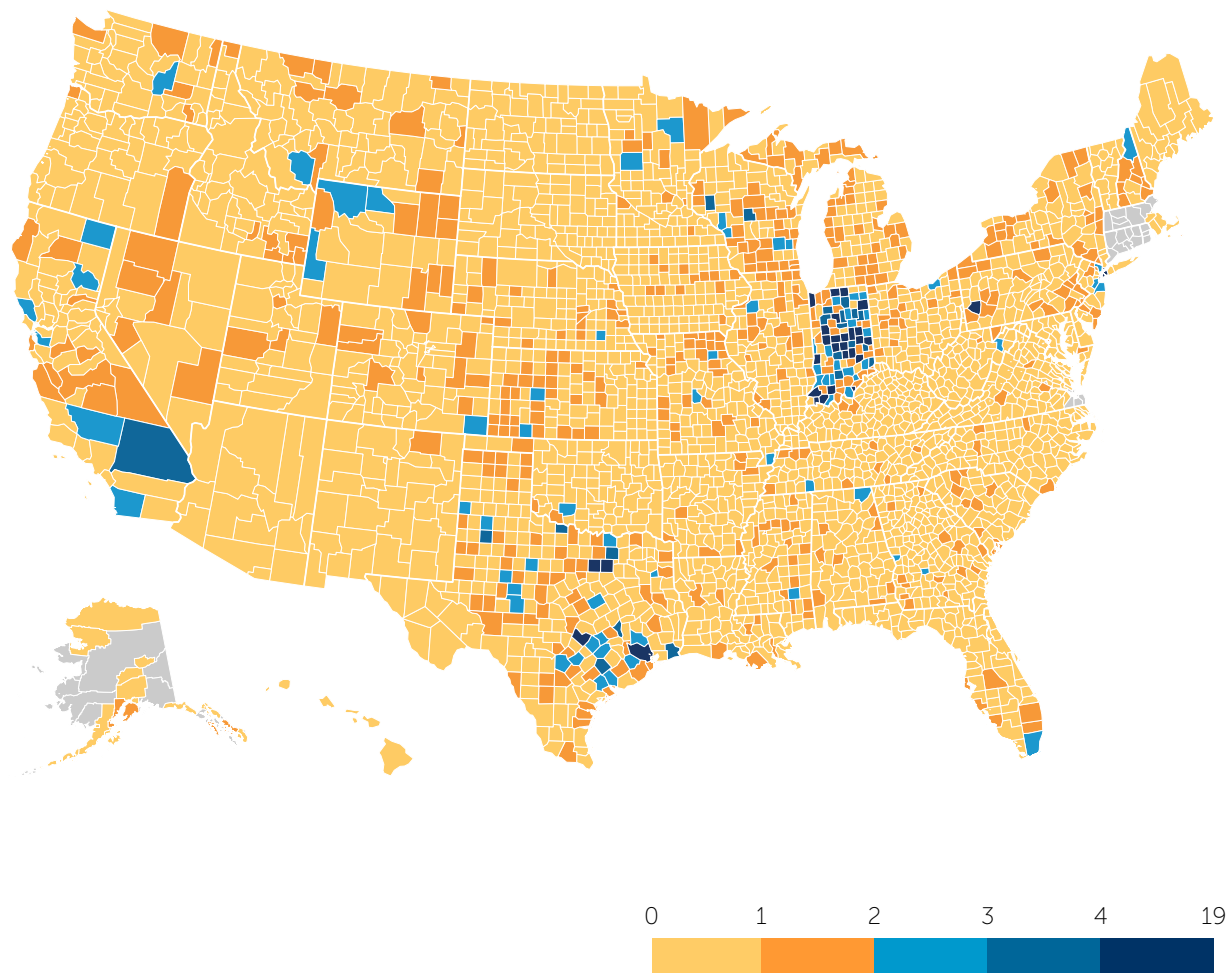
Mandated county contributions are highest in New York, where counties spend **nearly \$7 billion per year — or \$140 million per week —** for the state share of Medicaid costs.



COUNTY-SUPPORTED NURSING HOMES

13

2016 Nursing Homes • Number of County Supported Facilities



Source: NACo Analysis of U.S. Department of Health & Human Services data, 2016

Counties support **over 883 nursing homes**, especially facilities for indigent and low-income residents.

Over **28.2% of county-supported nursing homes** are located in Indiana.

County-supported nursing homes **provide a key safety net** for poor and elderly residents.



COUNTIES MATTER TO CRIMINAL JUSTICE

14

America's 3,069 counties invest nearly **\$93 billion** each year on justice and public safety services for our residents, including significant costs for medical care for arrested or detained individuals.

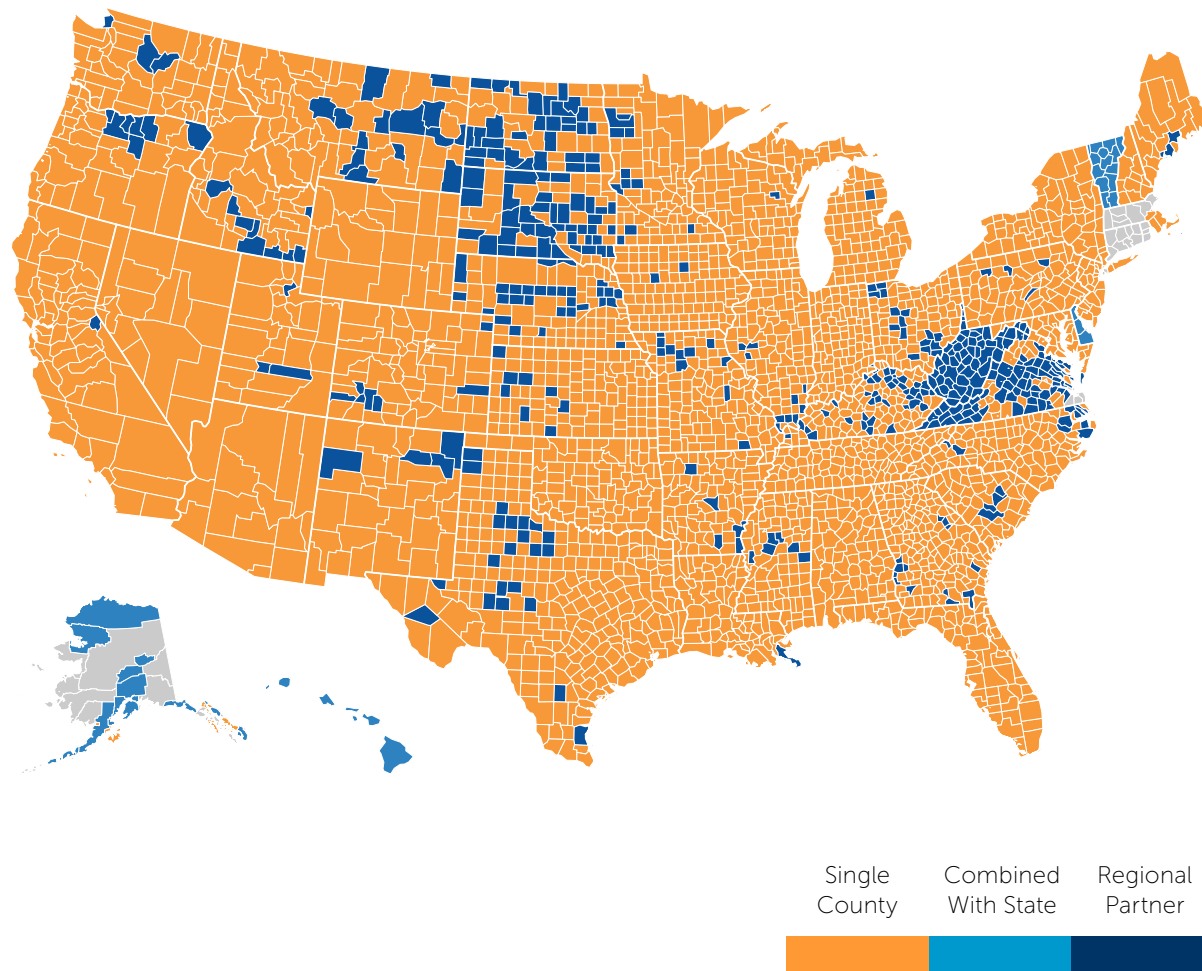
An estimated **64 percent** of individuals booked into local jails display symptoms indicative of mental health conditions and often have co-occurring substance abuse disorders.

Each year, over **11 million** people are booked in local jails.



ROLE IN JAIL OPERATIONS

2013 County Jails • Role in Jail Operations



Source: NACo analysis of Department of Justice, BJS, 2013

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90% of all local jails are operated by counties.

Each year, 11 million people are booked into local jails.

An estimated 64% of individuals booked into local jails display symptoms indicative of mental health conditions and often have substance abuse disorders.

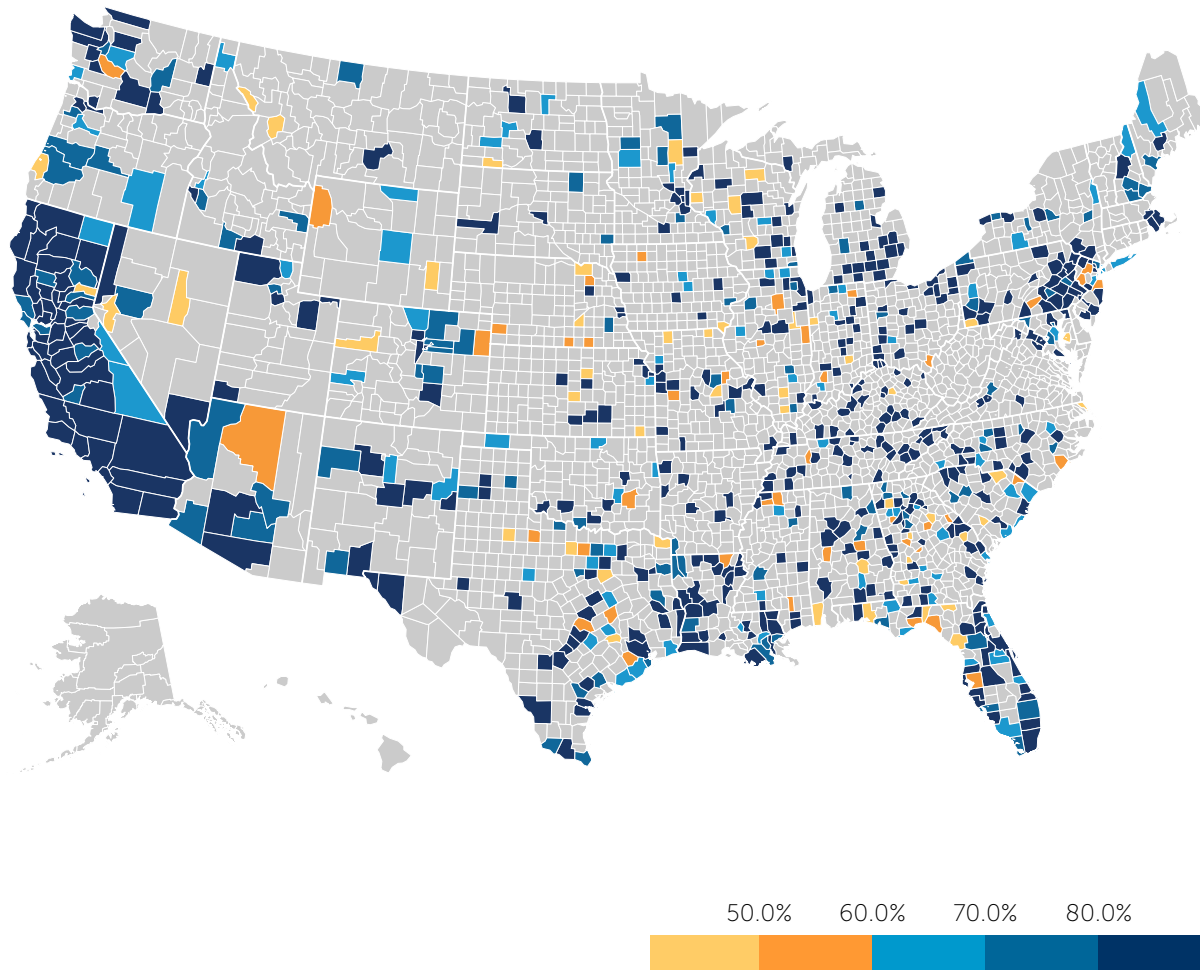
Los Angeles County, California has the largest average daily population of inmates, with 18,700.



JAIL CAPACITY PERCENT

16

2014 Jails - Supervised Population • Percent of Capacity



Source: 2015 NACo Analysis Bureau of Justice Statistics - Annual Survey of Jails, 2014

Pretrial inmates make up **67%** of local jail populations.

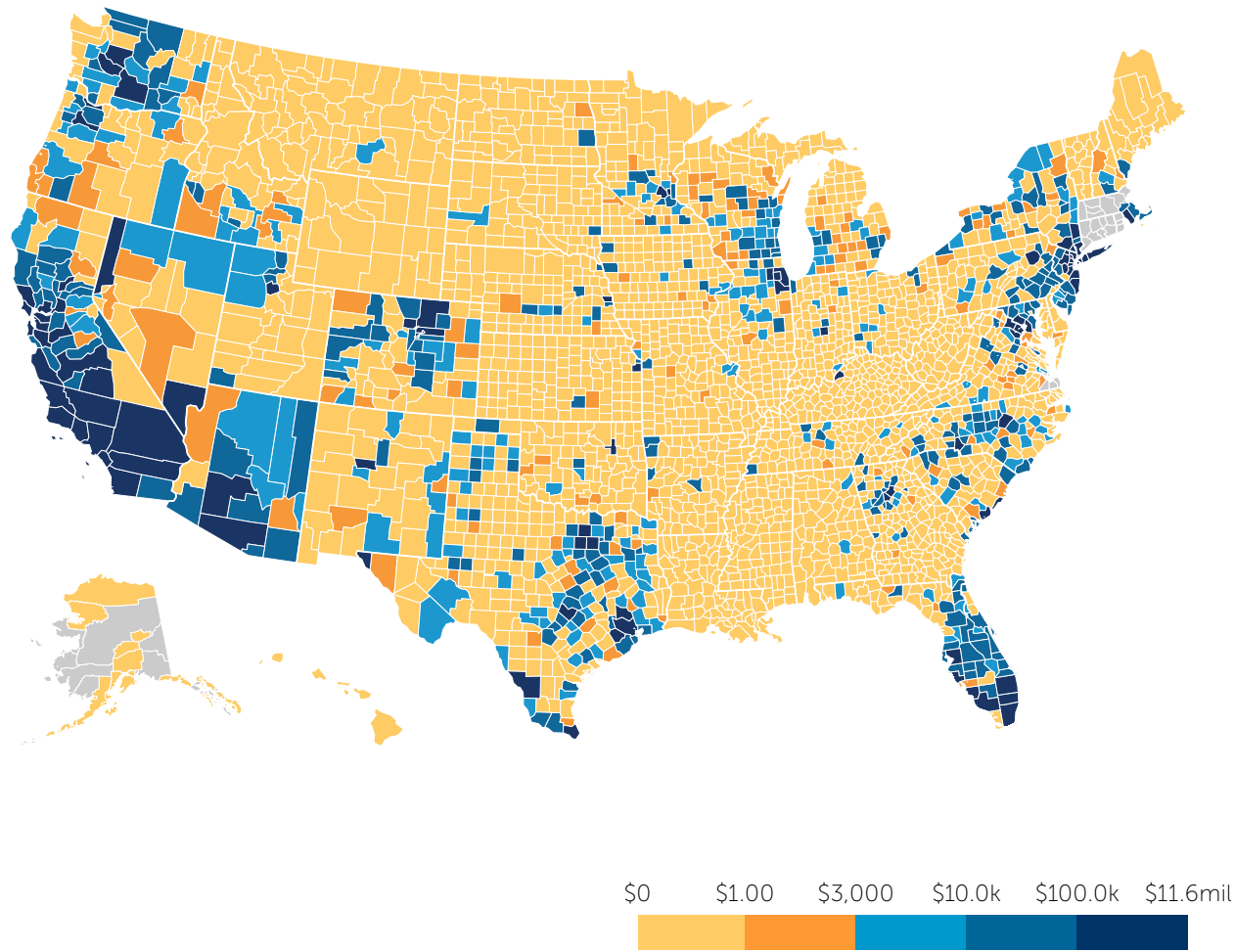
44.4% of county jails operate near or over capacity.

Federal and state laws and local police activity **are the biggest drivers of county jail costs**, along with housing of residents with mental health and substance abuse issues.



SCAAP AMOUNT

2016 State Criminal Alien Assistance Program (SCAAP) • SCAAP Amount



Source: NACo Analysis of U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance data, 2016

SCAAP provides federal payments to states and localities that incurred costs for incarcerating undocumented criminal aliens with at least one felony or two misdemeanor convictions for violations of state or local law, and incarcerated for at least four consecutive days during the reporting period.

The total appropriation amount for counties in **FY 2016** was over **\$66 million**.

COUNTIES MATTER TO PUBLIC LANDS

18

The **Payments in Lieu Taxes** program provides payments to counties to offset lost property tax revenues due to the presence of non-taxable federal lands within their jurisdictions. Payments in FY 2016 were \$452 million.

The **Secure Rural Schools** program was enacted in 2000 to provide funding for counties and schools to compensate for steep reductions in revenues from timber harvests on public lands. Payments in FY 2015 were \$278 million.



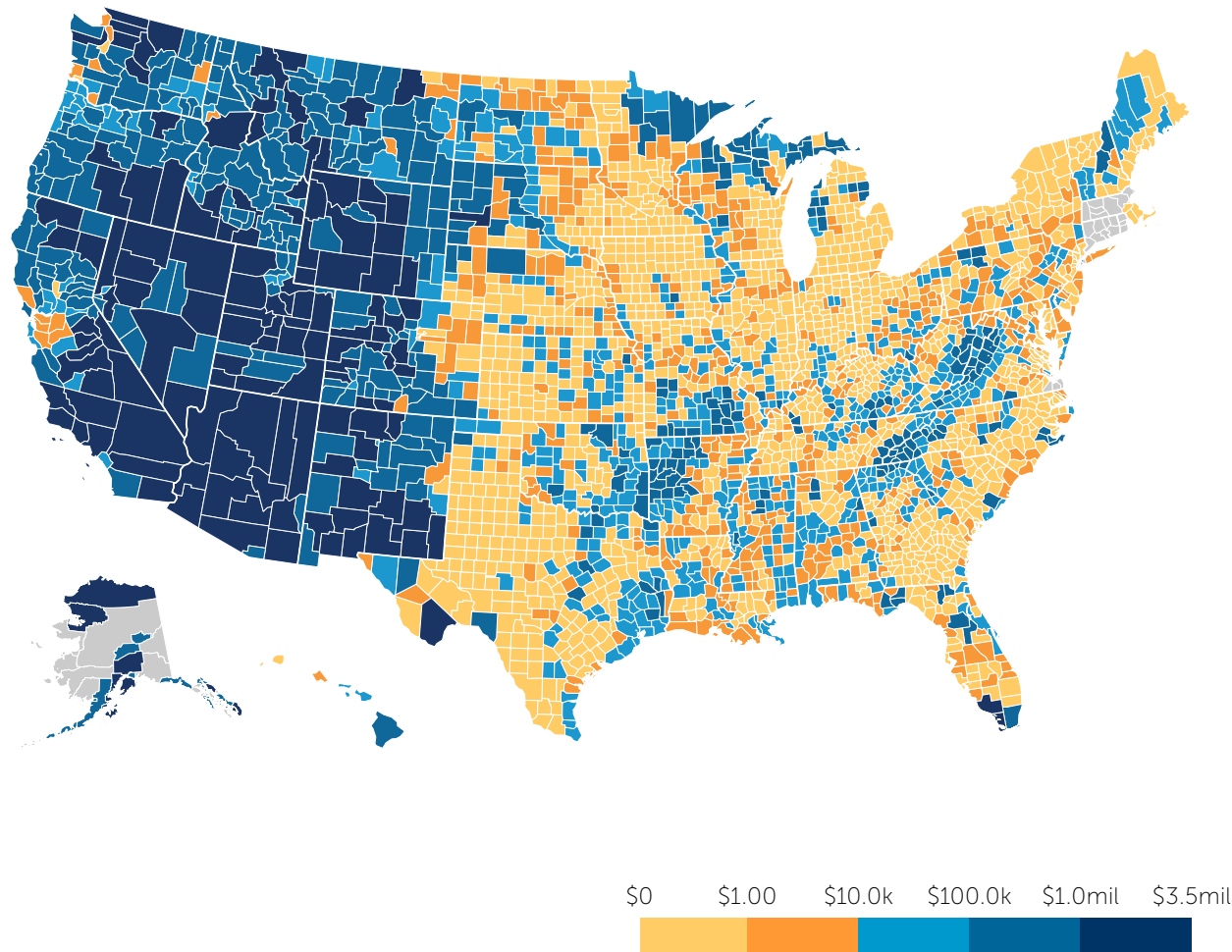
Over **62 percent** of counties have federal lands within their boundaries.



PILT AMOUNT

19

2016 Payment in Lieu of Taxes (PILT) • PILT Amount



Source: NACo Analysis of U.S. Department of the Interior Data, 2016

More than 1,700 counties (56%) received PILT funding in 2016.

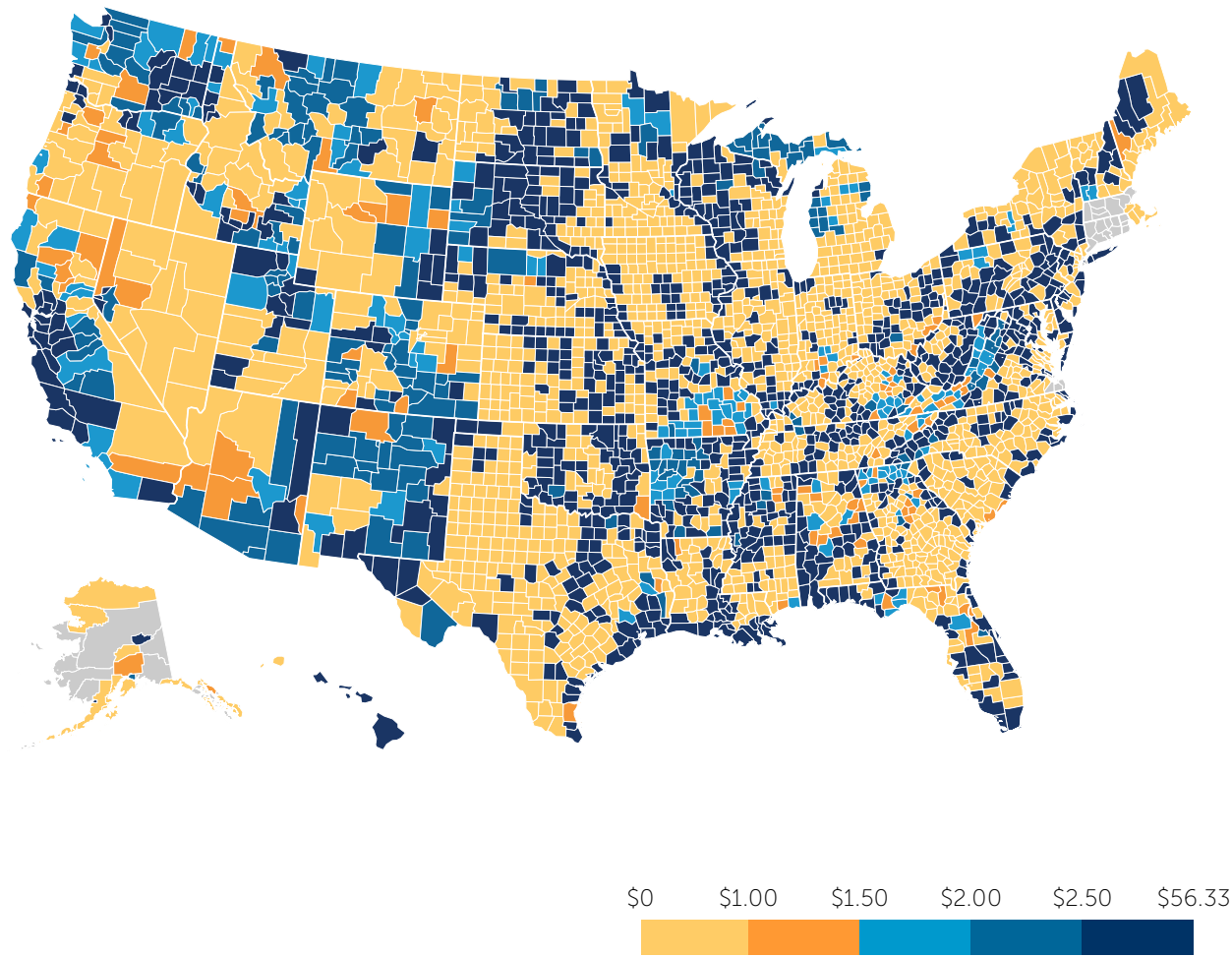
Average payment to counties receiving PILT was \$254,629.

Counties are **unable to tax property values or products derived from federal lands**, but still provide services such as **transportation infrastructure, law enforcement, solid waste and recycling, search and rescue, public health and 911.**



PILT PER ACRE

2016 Payment in Lieu of Taxes (PILT) • PILT Per Acre



Source: NACo Analysis of U.S. Department of the Interior Data, 2016

PILT eligible land includes national parks, national forests and wildlife refuges.

Over 62% of counties have federal lands within their boundaries.

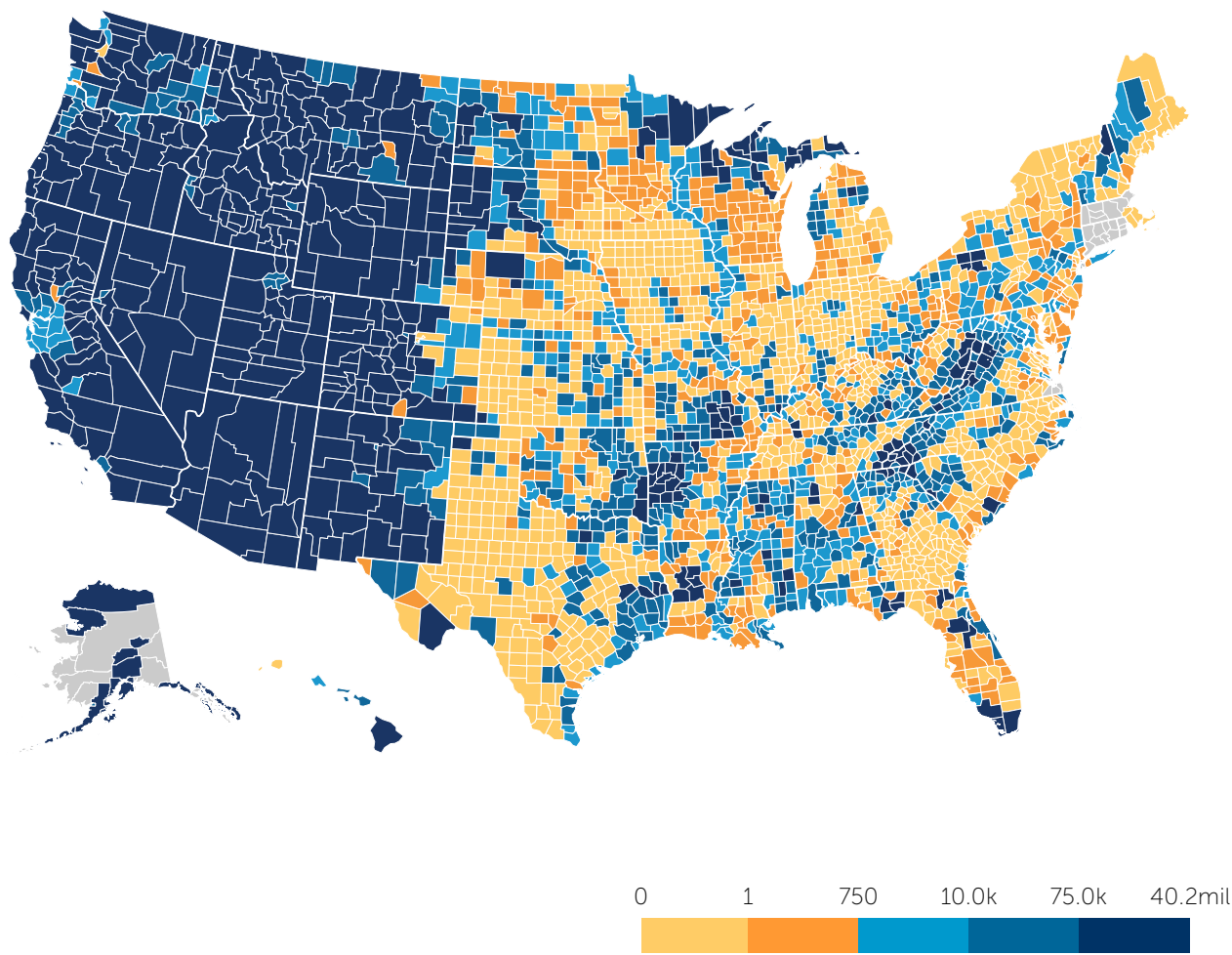
Nationally, the median PILT amount per entitlement acre was \$2.59.

Average payment to counties receiving PILT was \$254,629.



TOTAL PILT ENTITLEMENT LAND

2016 Payment in Lieu of Taxes • Total PILT Entitlement Land Acres



Source: NACo Analysis of U.S. Department of the Interior Data, 2016

Over 62% of counties have federal lands within their boundaries.

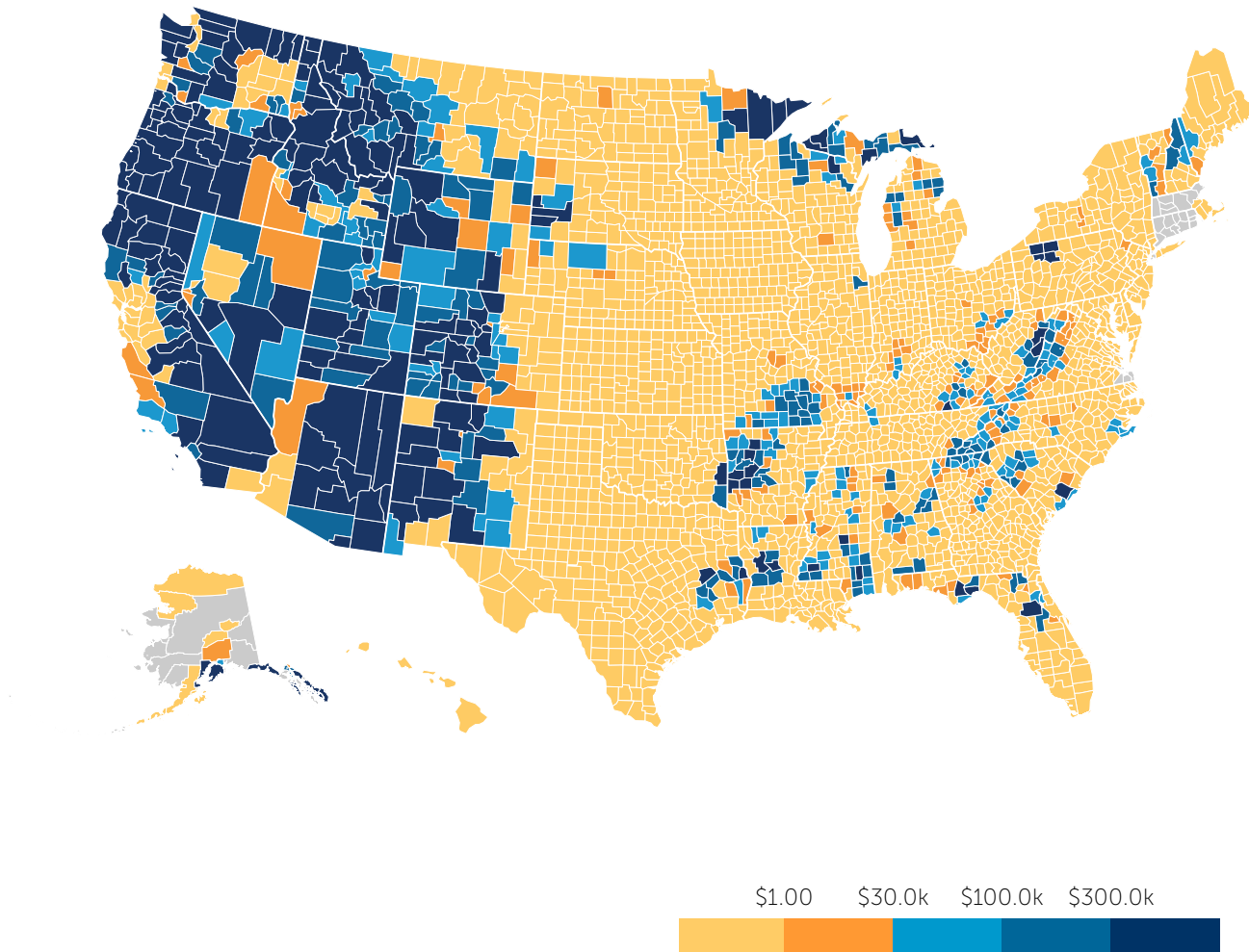
Federal lands are primarily in the West, but **758 counties east of the Mississippi** also receive PILT.

PILT is administered by the **Department of Interior's (DOI) Office of the Secretary.**



SRS PAYMENT

2015 Secure Rural Schools (SRS) • SRS Amount, FY 2015 Receipts Year



Source: NACo Analysis of U.S. Department of the Interior Data, 2015

22

USDA Forest Service's SRS program **provides assistance to counties and school districts affected by the declining revenue from timber harvests on federal lands.**

Counties received about **\$278 million in SRS funds** in FY2015.

732 counties and schools received SRS payments.

In the East, **counties such as Forest County, Pa.** where **Allegheny National Forest** is located, received SRS payments.



ENDANGERED SPECIES

The Endangered Species Act (ESA) is an essential safeguard for America's fish, wildlife and plants.

Yet, it is important to balance public projects' species impacts and the impacts on county residents and taxpayers.

More than **1,500 species** have been listed nationally as endangered or threatened since 1967.



99.4 percent of counties have at least one listed species within their boundaries.



ENDANGERED SPECIES, MAY 2015

HILLSBOROUGH COUNTY, FL

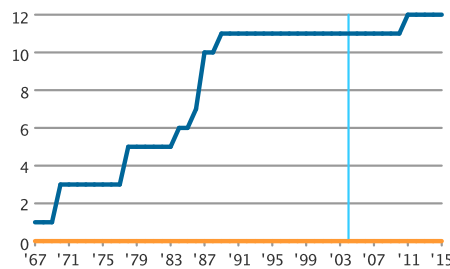
ENDANGERED AND THREATENED SPECIES LISTINGS, MAY 2015

1967-MAY 2015

LISTINGS —
DELISTINGS —
2004 |

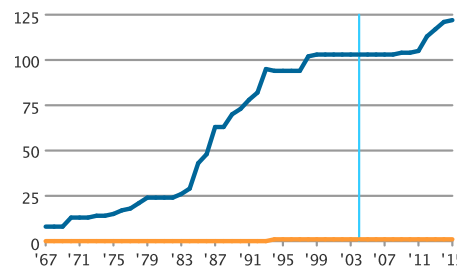
COUNTY

12



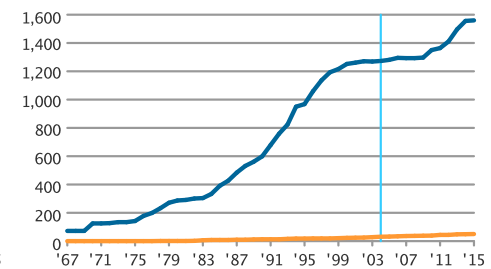
STATE

122



NATIONAL

1,560



COUNTY ENDANGERED AND THREATENED SPECIES LISTINGS, MAY 2015

COUNTY POPULATION, 2014:	ENDANGERED SPECIES LISTINGS, 2015	6
1,316,298	THREATENED SPECIES LISTINGS, 2015	6
	NEW LISTINGS OF ENDANGERED AND THREATENED SPECIES, 2004-2015	1
	DELISTINGS OF ENDANGERED AND THREATENED SPECIES, 2004-2015	0

DEFINITION OF TERMS: (Data Source: U.S. Fish and Wildlife Service, as of May 2015)

The Number of Endangered and Threatened Species includes species classified as Endangered, Threatened and Threatened due to Similarity of Appearance. **Endangered:** Species in danger of extinction throughout all or a significant portion of its range. **Threatened:** Species likely to become endangered within the foreseeable future throughout all or a significant portion of its range. NACo analysis considered experimental non-essential populations of endangered species as "threatened", because FWS treats them as threatened species on public land. **Threatened due to Similarity of Appearance:** Species not biologically endangered or threatened, but considered "threatened" due to similarity of appearance with another species with "threatened" status.



QUESTIONS

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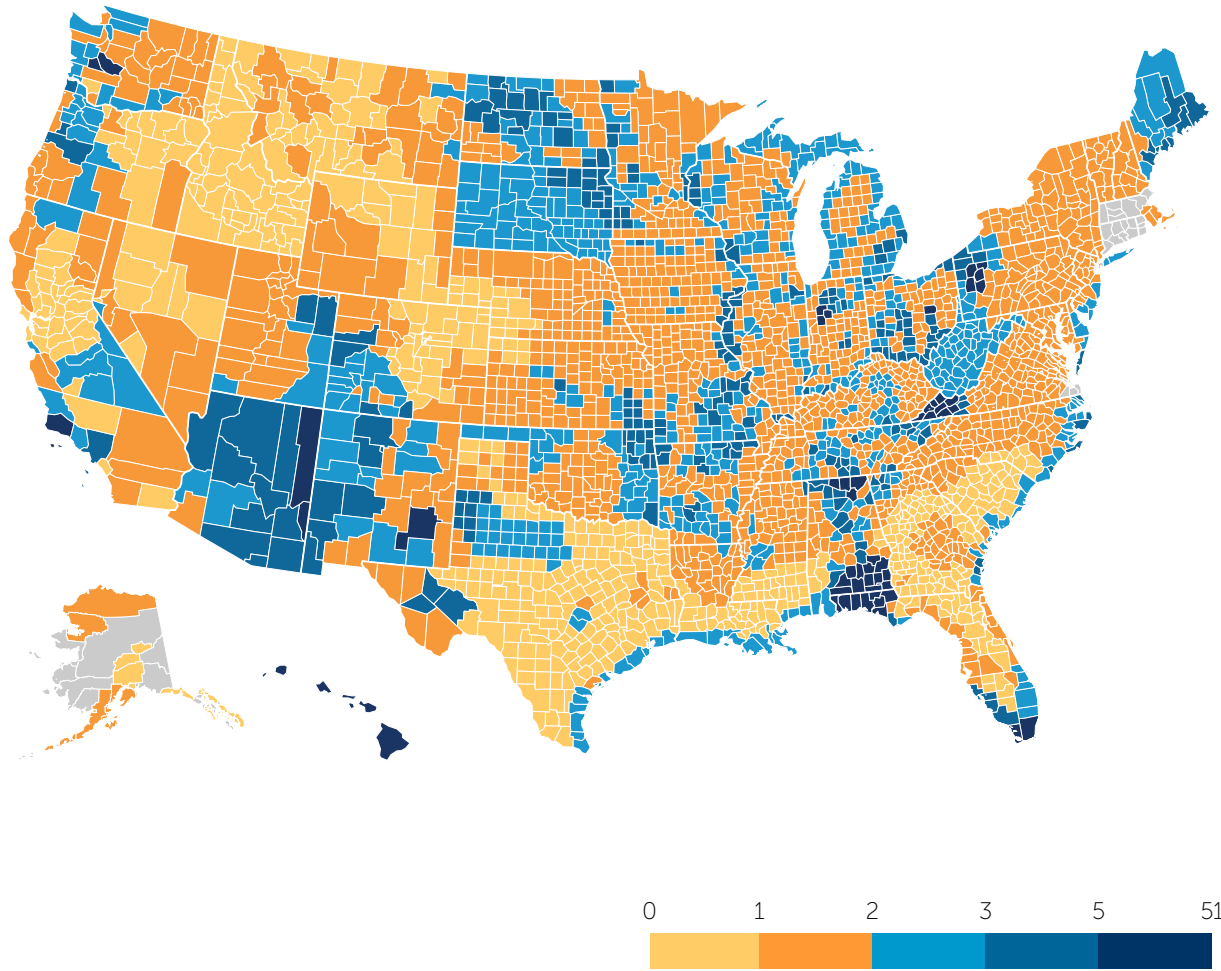
www.NACo.org/CountyExplorer

#CountyExplorer

ENDANGERED AND THREATENED SPECIES

25

2004-May 2015 Endangered Species • Number of New Listings of Endangered and Threatened Species



Source: NACo Analysis of U.S. Fish and Wildlife Service data, as of May 2015.

99.4% of counties **have at least one listed species** within their boundaries.

Over 900 endangered species have been listed **for 20 years or more.**

The Indiana bat **has been listed since 1967** and is believed to live in counties **across 20 states.**

Counties located in Hawaii and Florida **saw the most new listings** between 2004 and May 2015.



VETERANS

26

..... { County Veteran Service Officers secured **\$28 billion** in compensation benefits and **\$35 billion** in health benefits for veterans in FY 2014.

County Veteran Service Officers are responsible for **the majority** of veterans benefits claims filed to the U.S. Department of Veterans Affairs.

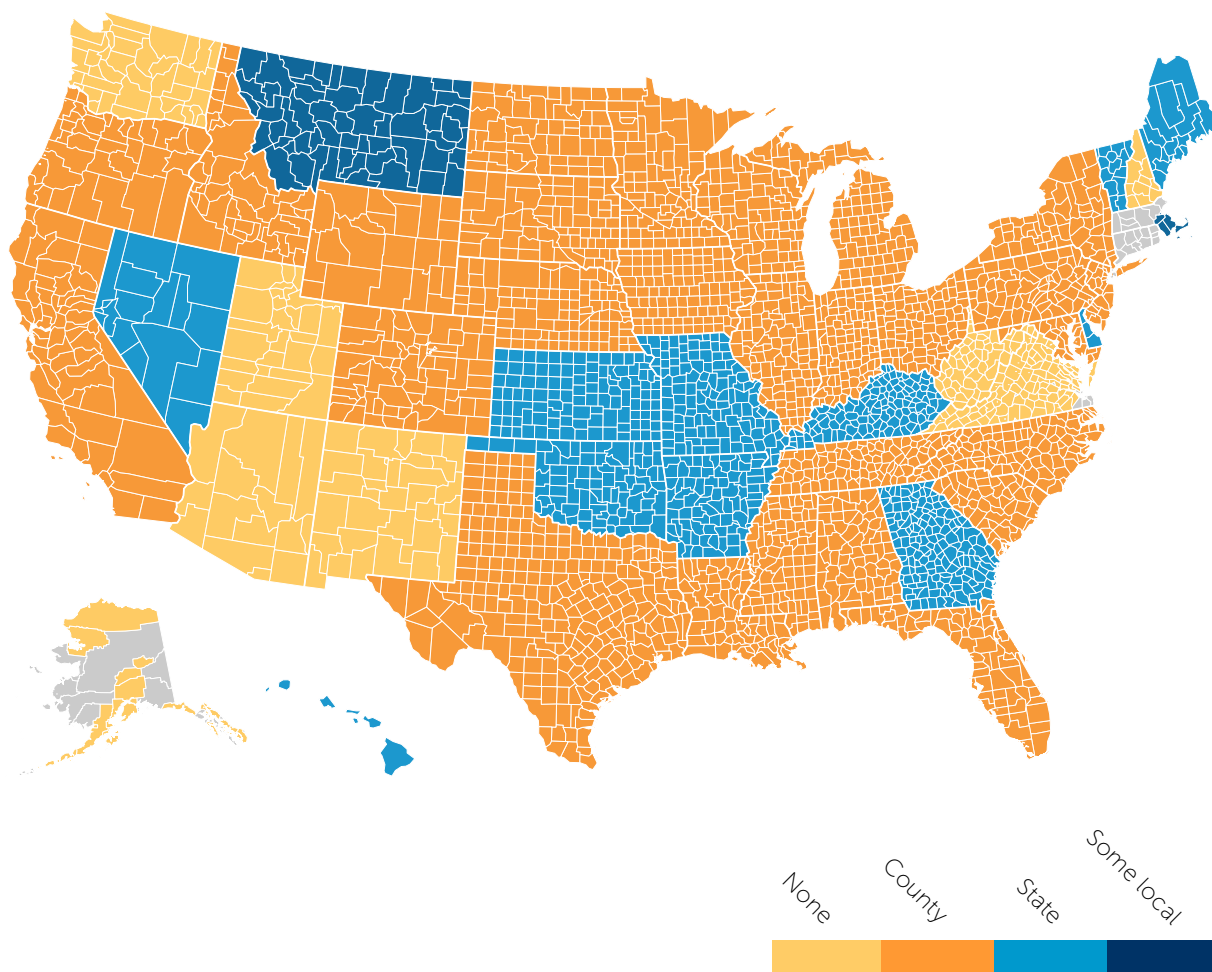
Counties in at least **28 states** have county veterans service officers (CVSOs).



VETERANS SERVICE OFFICE AUTHORITY

27

County Veterans Service Office Authority



Source: National Association of County Veterans Service Officers (NACVSO)

At least 28 states have **accredited county veteran service officers (CVSOs)**.

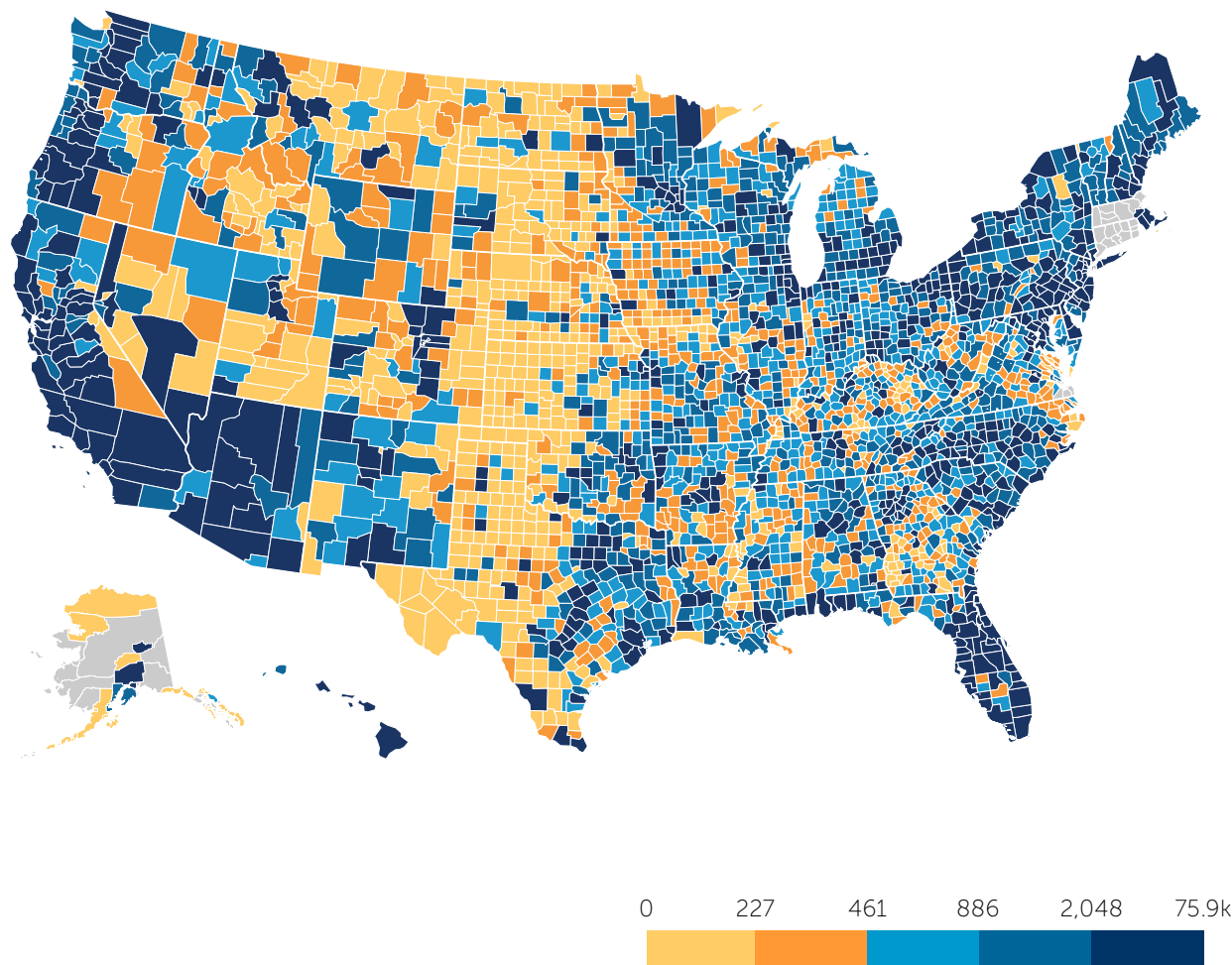
Even though CVSOs work with the VA to **coordinate and secure veterans' federal benefits**, there is currently no federal funding for county service offices, and very few states contribute funds.

NACo urges the administration and Congress to include and designate a portion of Veteran Administration funding for future federal fiscal years to support county veteran services officers, who often are veterans' first points of contact when seeking assistance accessing services.

VETERAN HEALTHCARE FACILITY PATIENTS

28

2015 Veteran Expenditures • VA Healthcare Facility Patients



Source: NACo Analysis of U.S. Department of Veterans Affairs Data, 2015

51% of counties have veterans comprising **more than 10%** of the adult population.

County Veteran Service Officers are **responsible for the majority of veterans benefits claims** filed to the U.S. Department of Veterans Affairs.

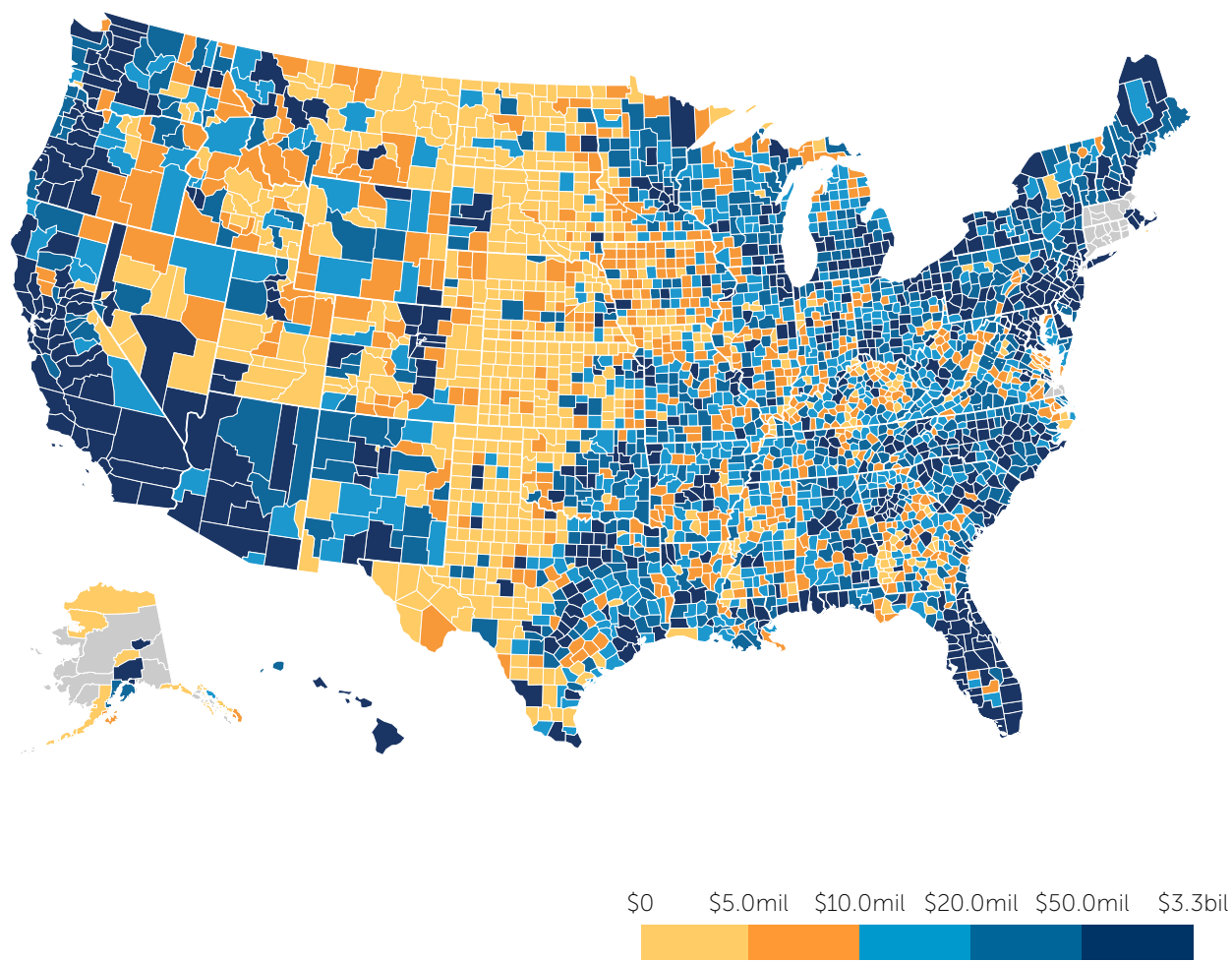
CVSOs **facilitate and work with** veterans and family services.



EXPENDITURES ON VETERANS SERVICES

29

2015 Veteran Expenditures • Total Veteran Expenditures



Source: NACo Analysis of U.S. Department of Veterans Affairs Data, 2015

County Veteran Service Officers **are responsible for the majority of veterans benefits claims** filed to the U.S. Department of Veterans Affairs.

39% of veteran expenditures went to veteran medical care.

45% of veteran expenditures went to veteran compensation and pensions.

\$160 billion in U.S. Department of Veteran Affairs expenditures was within county jurisdictions.



NACo COUNTY EXPLORER

MAPPING COUNTY DATA

www.NACo.org/CountyExplorer



Map an Indicator

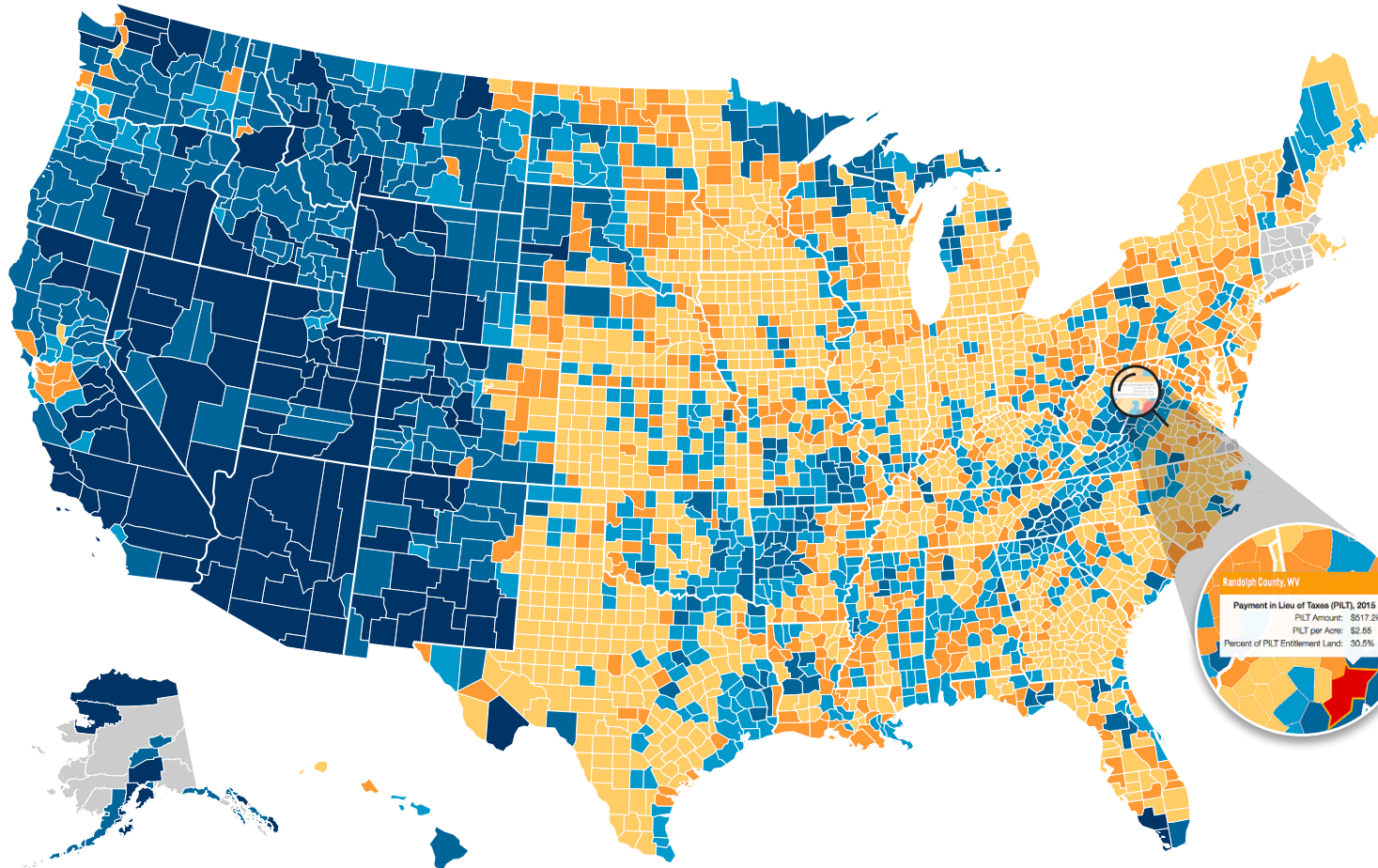
County Profiles

City/Zip Search

County Search

State Search

county name



COUNTY EXPLORER FEATURES

- » Latest available **data for 3,069 counties** across **19 categories**
- » More than **100 datasets**
- » More than **1,000 indicators**
- » **15 types of county profiles**

2015 Payment in Lieu of Taxes (PILT)
PILT Amount



*county data is unavailable if the county is colored grey

Source: NACo Analysis of U.S. Department of the Interior Data, 2015

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STRONGER COUNTIES. STRONGER AMERICA.



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