



2023 NATaT Highlights and Updates

Infrastructure

Transportation

USDOT's Definition of "Rural"

A NATaT priority is to encourage the USDOT to prioritize funding projects in rural areas. The Bipartisan Infrastructure Law created a new grant program, the Rural Surface Transportation Grant program, that defined rural as an area that is outside an urbanized area with a population of less than 200,000. NATaT brought this issue to the attention of Members of Congress, and in response, Representatives Brad Finstad (R-MN) and Pete Stauber (R-MN) introduced the ***Rebuilding Rural Roads Act (H.R. 3002)***. This bill would reduce the population definition of rural area to 20,000 from 200,000 to be eligible for DOT's Rural Surface Transportation Grant program. The two Members subsequently introduced the ***Protecting Infrastructure Investments for Rural America Act (H.R. 5437)*** that made additional improvements to the Rural Surface Transportation Grant Program, including a small community set aside, where "small community" is defined as an area that is outside an urbanized area and that has a population of 5,000 or less.

Off-System Bridges

One of NATaT's top priorities is ensuring that bridges that are not on the federal highway system (i.e., "off-system bridges") have access to federal funding support. Historically, we advocated to preserve a 15% set-aside for off-system bridges, and the transportation reauthorization **increased that set-aside to 20 percent**. However, concern was raised that many of our local bridges do not meet the definition of a "bridge" but are instead considered a "culvert" and thereby not eligible for federal assistance.

Based on advocacy during the NATaT fly-in and subsequent meetings with the Minnesota Association of Townships, Rep. Michelle Fischbach is interested in drafting and introducing a bill that will carve-out of the off-system bridge program to include structures that are 10 to 20 feet, which states must distribute through a competitive process.

Federal regulations define a bridge as a structure having a span greater than 20 feet (23 CFR 661.17(a)(1)).

Truck Weight and Length

There has been significant work done in the past year opposing efforts to increase the national truck weight limit on the federal highway system, and efforts to allow longer, wider double- and triple-trailer trucks on federal

highways. NATaT has been very engaged with the Coalition Against Bigger Trucks to communicate our opposition to this effort. This was a priority issue during our annual fly-in and we provided state and congressional district data on how heavier, bigger trucks would impact local bridges. There was a movement to include provisions in the annual transportation appropriations bill, the Farm Bill, and passing stand-alone legislation. To date, every attempt to include truck size and weight provisions in a bill has failed.

On August 9, NATaT sent a letter to leadership on the House and Senate appropriations and agriculture committees expressing our opposition. A copy of the letter was sent to all House and Senate offices. We signed a joint letter to the agriculture committee leadership on November 16 thanking them for passing a “clean” farm bill extension that did not include any truck size and weight provisions.

Additional Legislative Efforts

NATaT worked with Senator John Fetterman (R-PA) and supported the introduction of ***The Building Safer Streets Act (S. 3246)***, which is aimed at improving street infrastructure and preventing the loss of lives on unsafe streets. The bill addresses the distinct need for assistance in smaller communities and directs the Federal Highway Administration to distinguish between rural, suburban, and urban needs. It also adjusts the Safe Streets for All grant program to address the specific needs of small and rural communities.

Farm Bill

NATaT communicated our Farm Bill priorities to Members of the House and Senate Agriculture Committees. More specifically, the organization supports a robust Rural Development title that funds the programs that benefit our members. Congress recently passed a one-year extension of the Farm Bill, funding those programs at current levels through September 30, 2024.

Additional Legislative Efforts

NATaT worked with Senator Bob Casey (D-PA) and supported the introduction of the ***Rural Partnership and Prosperity Act*** to advance economic development in rural communities and help them overcome barriers to obtaining federal funding and resources. Senators Casey and Deb Fischer (R-NE) recognized that many rural communities are unable to compete for federal investment opportunities because of a lack of adequate funding, capacity, and staffing. The bill creates grant programs providing multiyear, flexible awards to communities to be used to address urgent needs, including but not limited to affordable childcare, housing, and job training; provide technical assistance grants to help rural communities navigate existing federal funding opportunities and ensure they’re getting their fair share of private and federal investment; and improve supportive services offered by the federal government to rural communities.

The Farm Bill is the likely legislative vehicle to move this legislation.

Telecommunications and Cybersecurity

National Telecommunications and Information Administration (NTIA) Broadband Listening Session

NATaT and several of its state associations joined a coalition of almost 300 broadband experts, internet service providers (ISPs), community leaders, and consumer advocates to express concerns about the NTIA's letter of credit (LOC) obligation in the Broadband Equity Access and Deployment (BEAD) grant program. In a September letter to NTIA leadership, the coalition warned that the LOC obligation would make it more difficult for smaller broadband providers (e.g., subgrantees) to participate in the program. In November, NTIA granted a conditional waiver that allows subgrantees to obtain LOCs from credit unions in lieu of banks or to use performance bonds in lieu of LOCs. The waiver also allows states to reduce the amount of the LOC obligation below 25 percent over time or reduce the amount of the performance bond below 100 percent over time, upon a subgrantee meeting deployment milestone specified by the state.

Panel discussion on Cybersecurity Essentials for Towns and Townships: Managing and Mitigating Risks and Vulnerabilities

At the May 2023 Legislative Fly-In, NATaT led a panel discussion on the proactive steps local governments can take to strengthen their cybersecurity defenses. The discussion focused on current and potential future cyber-attack vectors and the potential impacts on towns and townships and what federal policymakers are doing to help local governments become more cybersecurity resilient.

- **David Hoover**, Moderator, NATaT Legislative and Policy Manager
- **Robert Nadeau**, Chief of Partnerships, Stakeholder Engagement Division, Cybersecurity and Infrastructure Security Agency (CISA)
- **Tony Bishop**, Senior Advisor, Office of the National Cyber Director, Executive Office of the President (invited)
- **Laura Mateczun**, Research Assistant, School of Public Policy, University of Maryland, Baltimore County
- **Vince Crisler**, Chief Strategy Officer, Celerium

Broadband Legislative Advocacy

NATaT supported and/or provided feedback on broadband- and cybersecurity-related legislation introduced during the 118th Congress and worked to drive co-sponsorship of these bills, including:

- ***Protecting Community Television Act (S. 340/H.R. 907)***, which would amend the Communications Act of 1934 to reverse the Federal Communication Commission's (FCC) 2019 order requiring that cable-related, in-kind contributions be subjected to the statutory five percent franchise fee cap.
- ***Broadband Incentives for Communities Act (H.R. 1241)***, which would create a grant program under the NTIA to give communities new resources to train and hire employees in the permitting departments, hire additional human resources, and purchase updated technology and equipment that would facilitate the permitting process to help speed the deployment of new broadband infrastructure.
- ***Eliminating Barriers to Rural Internet Development Grant Eligibility (E-BRIDGE) Act (H.R. 1752)***, which would make it easier for rural and impoverished communities to pursue broadband projects through

Economic Development Administration grants, including difficult last-mile efforts that often delay rural broadband deployment. The bill also ensures that local communities can partner with the private sector in carrying out broadband projects and gives communities more flexibility in complying with their funding match requirements.

- **Next Generation 9-1-1 Act (H.R. 1784)**, which would amend the National Telecommunications and Information Administration Organization Act to provide for further deployment and coordination of Next Generation 9–1–1.
- **Reforming Broadband Connectivity Act (S.975/H.R. 1812)**, which would direct the FCC to initiate a rulemaking process to reform the contributions mechanism that funds the Universal Service Fund (USF). The contributions base is dramatically declining as customers migrate from traditional telecom services to broadband and other services that contribute at lower rates or not at all.

Volunteer First Responders

Volunteer Responder Housing Act (H.R. 4787/S. 1988)

NATaT worked with Senator Tammy Baldwin’s office (D-WI) and Dan Kildee (D-MI) to reintroduce this measure and help secure cosponsors in the 118th Congress. The bill would make volunteer fire and EMS personnel eligible for assistance under the Department of Agriculture’s Single Family Housing Guaranteed Loan Program and the Department of Housing and Urban Development Good Neighbor Next Door Sales Program.

Neither measure has passed the House nor Senate.

Unfunded Mandates and Federal Preemption

Waters of the U.S.

On August 29, 2023, the U.S. Environmental Protection Agency (EPA) and U.S. Army Corps of Engineers (Corps) (referred to collectively as “the agencies”) announced a new final rule amending a previous final rule finalized in January 2023, which sought to more clearly define and regulate “waters of the United States” (WOTUS) protected under the Clean Water Act (CWA). The new final rule will conform with the U.S. Supreme Court’s May 2023 decision in the case *Sackett vs. EPA*. The agencies published the new final WOTUS rule in the Federal Register on September 8, 2023, which is the new rule’s effective date. Litigation over the Biden administration’s definition of WOTUS resumes in several federal district courts around the country now that the final rule has been published in the Federal Register. Notably for NATaT, the new rule keeps the following exclusions from WOTUS:

- Prior converted cropland
- Waste treatment systems
- Ditches
- Artificially irrigated areas
- Artificial lakes or ponds
- Artificial reflecting pools or swimming pools
- Waterfilled depressions

- Swales and erosional features

Department of Labor Overtime Rules

The Fair Labor Standards Act (FLSA) requires covered employers to pay employees a minimum wage and, for employees who work more than 40 hours in a week, overtime premium pay of at least 1.5 times the employee's regular rate of pay. However, the FLSA exempts from the minimum wage and overtime pay requirements “any employee employed in a bona fide executive, administrative, or professional capacity.” The exemption is commonly referred to as the “white-collar” or executive, administrative, or professional (EAP) exemption.

The regulations implementing the EAP exemption require that each of the following three tests must be met: (1) the employee must be paid a predetermined and fixed salary that is not subject to reduction because of variations in the quality or quantity of work performed (the salary basis test); (2) the amount of salary paid must meet a minimum specified amount (the salary level test); and (3) the employee's job duties must primarily involve executive, administrative, or professional duties as defined by the regulations (the duties test).

On September 8, 2023, the U.S. Department of Labor (DOL) issued a proposed rule that alters the requirements for “white collar” exemptions under FLSA. The proposed rule includes the following changes:

- Increase the EAP minimum salary level from \$684 per week (or \$35,568 per year) to \$1,059 per week (or \$55,068 per year). U.S. employees would need to earn \$55,068 or more per year to be exempt from overtime pay. According to the DOL, this 64.5 percent increase would impact 3.6 million workers who are currently exempt from overtime eligibility.
- Automatically update earnings thresholds every three years so they keep pace with changes in worker salaries. (Note, these automatic updates could go up or down depending on the earnings environment.) The EAP would be adjusted to remain at the 35th percentile of weekly earnings of full-time salaried workers in the lowest-wage Census region (currently the South).

The current minimum salary level for exempt employees is \$684 per week (or \$35,568 annually), which was most recently set in 2020 during the Trump administration.

Federal Funding

Fiscal Year 2024 Budget and Appropriations

NATaT supports funding for the following programs in the annual budget and appropriations processes: U.S. Department of Agriculture’s Rural Development programs, Federal Emergency Management Agency’s assistance to firefighter grant programs, the Economic Development Administration (EDA), and the U.S. Census Bureau. These programs are funded in the Agriculture Appropriations bill, Homeland Security Appropriations bill, and Commerce Appropriations bill, respectively. NATaT sends letters of support for these programs to House and Senate appropriators every year.

On November 16, 2023, President Biden signed into law a continuing resolution (***Further Continuing Appropriations and Other Extensions Act, 2024***) that keeps federal agencies funded under four appropriations bills open through January 19 and through February 2 for the remaining eight bills. Notable to NATaT, the

Departments of Agriculture and Transportation are funded through January 19 and FEMA, EDA and the Census Bureau are funded through February 2.

The CR also included a Farm Bill extension through September 30, 2024, and extension of the National Flood Insurance Protection Act through February 2, 2024, both of which were set to expire at midnight on November 17, 2023.

Tax

Municipal Bonds

NATaT continues to support the preservation of tax-exempt municipal bonds and has advocated to restore local government authority to advance refund tax-exempt bonds (authority was eliminated in the Tax Cuts and Jobs Act of 2017). A provision to restore advance refunding has been included in various bills since 2017 but has not been part of any bill that has become law.

NATaT has also monitored and reported on Congressional efforts to reinstate the state and local tax (SALT) deduction.

Parity for Volunteer Drivers

NATaT supports efforts to increase the federal volunteer driver mileage reimbursement (14¢/mile) to equal the federal business driver mileage reimbursement (65.5¢/mile). Legislation was introduced in both the House and Senate to address this issue. Congressman Pete Stauber (R-MN) introduced the ***Volunteer Driver Tax Appreciation Act of 2023*** (H.R. 3032) on April 28, 2023, and Senator Amy Klobuchar (D-MN) introduced the same bill (S. 3020) on October 4. The legislation increases the federal volunteer driver mileage reimbursement to that of the federal business driver.

Other Advocacy and Administrative Efforts

Successful **NATaT Fly-In** that included:

- Meeting at the White House Office of Intergovernmental Affairs Office for Board Members
- Congressman Glen “GT” Thompson, Chairman, House Agriculture Committee
- Charles Small, Deputy Assistant Secretary for Intergovernmental Affairs, US Department of Transportation
- Ryan Berni, White House Senior Advisor for Infrastructure Implementation
- Cybersecurity Essentials for Towns and Townships: Managing and Mitigating Risks and Vulnerabilities panel discussion (detailed above)
- Congressional meetings

NATaT **website** updates, including Legislative Tracker, which is updated monthly.

Shared relevant **grant and technical assistance opportunities**.

Working partnerships with federal agencies and national groups on issues of interest to NATaT.

NATaT Weekly Legislative Updates provide a Congressional Outlook for the week ahead and review of federal action on issues of interest to NATaT that occurred the previous week.

The Interconnect is a monthly newsletter that focuses on federal actions related to broadband, cyber, and tech innovation.

Special legislative reports (*e.g.*, Preview of the 118th Congress, Debt Limit Deal, Administration's Unified Agenda, WOTUS, DOL Overtime Rule, Inflation Reduction Act's Clean Energy Tax Credits).

Breaking news reports on issues/announcements of interest to NATaT.

Organized and facilitated **monthly conference calls** for NATaT Board of Directors.

Organized and facilitated **board meetings**.

Drafted **articles for association member magazines** on federal legislative and regulatory topics.