State Legislative Overview, ARPA Update, Agriculture Policy

Mindy Bridges, project manager, NCSL Environment, Energy & Transportation
Emily Maher, project manager, NCSL Fiscal Affairs
Strengthening the legislative institution
How NCSL Strengthens Legislatures

- **Policy Research**: NCSL provides trusted, nonpartisan policy research and analysis.
- **Connections**: NCSL links legislators and staff with each other and with experts.
- **Training**: NCSL delivers training tailored specifically for legislators and staff.
- **State Voice in D.C.**: NCSL represents and advocates on behalf of states on Capitol Hill.
- **Meetings**: NCSL meetings facilitate information exchange and policy discussions.
Examples of NCSL’s Work

Agriculture Task Force
- Meets in person at least twice per year
- Members are appointed by legislative leadership.
  - Senate and House Agriculture Committee Chairs
  - Farmers
  - Rural legislative districts

State-Federal Affairs
- Standing Committees
  - Natural Resources and Infrastructure
- Federal Policy
  - Farm Bill
1. Overview of State Legislatures
2. 2022 Midterm Elections
3. ARPA and Fiscal Recovery
4. Agriculture Policy Topics
A Framework for Categorizing Legislatures

5 Types of Legislatures

- Full-time, well paid, large staff (4)
- Full-time Lite (6)
- Hybrid (26)
- Part-time Lite (10)
- Part time, low pay, small staff (4)
Legislator Pay by Type

- National Average: $39,216
- Full-Time Average: $76,253
- Hybrid Average: $31,546
- Part-Time Average: $13,111
Staff Size

LEGISLATIVE STAFF 2015

Number of Legislative Staff as of 2015:
- 0-250
- 251-500
- 501-750
- 751-1000
- > 1000

NATIONAL TOTAL 1979-2015

1979: 26992
1980: 33330
1996: 35384
2003: 34979
2009: 33888
2015: 31678
Times of Year

During Session
- Legislative Calendars
- Committee Structures

Interim
- Study Committees
- Interim Committees
- Tours and Visits
2022 Midterm Recap

Key Takeaways

1. Democrats overperformed expectations
2. Republicans still control more
3. Split Control of Government Declines
4. Women Continue to Make Gains
Legislative Seats Held by Party, 1900 – Election Day 2022

![Graph showing legislative seats held by party from 1900 to Election Day 2022. The graph displays data for both Democratic (Dem) and Republican (Rep) parties over time, with percentage values on the y-axis and years on the x-axis.]
Legislatures Held by Party, 1900 – Election Day 2022
Pre-Election Legislative Composition

- Republican (29)
- Democratic (17)
- Divided (3)
Post-Election Legislative Composition

- Republican (28)
- Democratic (19)
- Divided (2)
- Nonpartisan (1)
Current State Control

Republican (22) (-1)
Democratic (17) (+3)
Divided (10) (-2)
Majority of States Have Veto-Proof Majorities

Republican (17)
Democratic (9)
Women in Legislatures Continues to Grow

Pre-election share of legislators: 30%

Post-election share: 32%

- Nevada House and Senate = 60% female (38 of 63 seats)
- Colorado House = 60% female (39 of 65 seats)
Overview of ARPA State and Local Fiscal Recovery Funds
Overview

○ ARPA Overview
○ NCSL ARPA Tracking
○ Process and Fiscal Considerations
Enacted COVID-19 relief funding

($ in billions)

- Coronavirus Preparedness and Response Act: $8
- Paycheck Protection Program and Health Care Enhancement Act: $483
- Coronavirus Aid, Relief, and Economic Security (CARES) Act: $1,700
- Families First Coronavirus Response Act (FFCRA): $192
- P.L. 116-260 (Consolidated Appropriations Act): $900
- American Rescue Plan: $1,900

Total: $5,183
Cost of COVID-19 and Great Recession Responses

Great Recession
- American Recovery and Reinvestment Act: 1.0%
- 2011/2012 Payroll Tax Holiday: 0.5%
- Fannie/Freddie/TARP: 0.2%
- Economic Stimulus Act of 2008: 0.2%
- Other: 0.4%

COVID-19 Recession
- CARES Act: 1.6%
- American Rescue Plan: 1.5%
- Response & Relief Act: 0.8%
- Other: 0.5%
- Total: 4.4% of GDP

Note: Figures reflect 5-year cost estimates measured against 5-year GDP
Source: CBO, CRFB Calculations
Flexible Spending for States

Coronavirus State and Local Fiscal Recovery Funds (CSFRF)

- Allowable uses:
  - Emergency and economic effects of pandemic
  - Premium pay to essential employees or grants to their employers
  - Government services affected by revenue reduction
  - Investments in water, sewer and broadband

- Ineligible uses:
  - Towards pensions or to offset revenue loss resulting from tax cuts

- Funds must be obligated by Dec. 31, 2024 and spent by Dec. 31, 2026.
Recent Amendment Adds Flexibility

State, Local, Tribal, and Territorial Fiscal Recovery, Infrastructure, and Disaster Relief Flexibility Act

- Allows states to use the greater of $10 million or 30% of funds for transportation infrastructure projects
- For projects under the Community Development Block Grant
- Toward emergency relief services to address natural disasters
- U.S. Treasury administrative funds
CSRF State & Local Aid

Provides $195.3 billion to states and the District of Columbia:
  - $25.5 billion to each state, minimum of $500 million.
  - $169 billion would be allocated based on the states’ share of unemployed workers over a three-month period, from October-December 2020.

Provides $130.2 billion to Local Governments:
  - $65.1 billion for counties.
  - $45.6 billion for metropolitan cities.
  - $19.5 billion for towns with fewer than 50,000 people.

Provides $4.5 billion to U.S. territories
Provides $20 billion to tribal governments
Provides $10 billion for a Coronavirus Capital Projects Fund
How ARPA Aid Compares With the Size of States’ Budgets
Allocations range from 4.9% of total FY 2020 spending in Wisconsin to 22.7% in Wyoming.

Who Has Allocated Funds?

- **Legislative**
  - AK, AZ, HI

- **Executive**
  - MT, WA, ID, OR, CA, NV, UT, CO, WY, ND, SD, NE, KS, MO, IL, IN, OH, KY, WV, VA, SC, NC, GA, FL, AL, MS, LA, AR, OK, TX, MN, IA, MN, WI

- **Both**
  - DE, MD, RI, VT, NH, NJ, MA, CT, DC, NY, PA, NJ, MI, OH, IN, IL, WI, IA, MN, NC, VA, KY, TN, AR, FL, LA, SC, GA, AL, MS, UT, WY, CO, WY, ID, OR, CA, NV, UT, CO, WY, ND, SD, NE, KS, MO, IL, IN, OH, KY, WV, VA, SC, NC, GA, FL, AL, MS, LA, AR, OK, TX, MN, IA, MN, WI, AK, AZ, HI
CSFRF Major Allocation Categories

Broadband  Economic Relief  Education  Housing  Human Services

State Ops/Admin.  Revenue Replacement  Unemployment Trust Fund  Water Infrastructure  Workforce Development

Public Health still a major priority!
$625,000 for the Yukon River Salmon Food Security Project to address food supply concerns and food assistance security assistance.

$1M to create a community food access program that is responsible for operating as a good value chain coordinator to connect retailers to local farmers and small and large distributors.

$20M to support farms and food processes to ensure the sustainability of farms and farm families, increase the supply of local food to meet state food consumption goals and enhance the State’s agricultural exports.

$10M to enable local processing capacity and expand market access for small producers.

$5 million to assist food banks in meeting the needs of food-insecure New Mexicans.
Agriculture Business and Workforce

- **$5M** for aquaculture, agriculture, and fishing industries.
- **$50,000** to promote urban and suburban agriculture production and job growth.
- **$10M** in education grants to address agriculture workforce needs.
- **$5M** to expand advanced agriculture and transportation training programs.
- **$10M** to enable local processing capacity and expand market access for small producers.
- **$10M** in matching grants to advance autonomous agriculture technology.
- **$2M** in grants to forest, farm and food business to assist with operations, supply-chain disruptions and labor shortages.
- **$2.6M** to help dairy produces offset their profit margin losses.

States:
- GU
- MO
- KS
- ND
- VT
Watershed Restoration and Land Preservation

$300 million to project natural and working landscapes that preserve, protect or enhance wildlife habitats or corridors and linkages or agricultural or rural lands.

$15 million to invest in watershed restoration projects and improve resilience of water resources.

$70M for agriculture water optimization projects that reduce water use while maintaining production and profitability.
Targeted Communities

Prioritizing grants to assist households that face harsh economic impacts and have been disproportionately underserved.

Investments in nonprofits to achieve more equitable outcomes. Wisconsin is investing more than $330 million in over 420 nonprofits serving residents in all 72 counties.

Maine's Job Plan invests in communities with the least ability to rebound from the pandemic to promote diversity and equity.

State programs focused on ensuring equitable service to historically underserved, marginalized, and disproportionately affected groups.

Investments in community-based mental health and substance abuse treatment to address service gaps due to racial and geographic inequities.
Allocation Timelines Vary

Legislative procedures, spending authority, guidance and disbursement amount play a role.

- **CSLFRF Begins**
- **Prior to Interim Rule**
- **End of FY ‘21**
- **2021 /2022 Special Sessions or Interim**
- **2022 Legislative Sessions**
- **Post- 2\textsuperscript{nd} Tranche / 2023**
- **May 2022**
Established a broad legislative framework.

Governor created 3 bipartisan committees to consider proposals and make recs.

Broadband; Water and Sewer; Economic Impact

Governor’s SPARK Taskforce

Working Groups → Advisory Committee → Executive Committee → State Finance Council authorizes funds.

Established a set of criteria for how to spend the funds.

Scored proposals based on criteria

Divided funds into buckets

3 phase recovery plan.

Phase I – Urgent Needs (now-Jan ’22)

Phase II – Additional Recovery Projects (Jan ’22)

Phase III – Multi-Year Recovery Projects
Avoiding the Fiscal Cliff

○ Managing one-time expenditures
  • Non-recurring vs. recurring
  • Coordinating with local governments
  • Oversight measures

○ Long-term fiscal planning
  • Multi-year budgeting practices
  • Flexibility with investment strategies
  • Adjusting for influx of state revenues and federal stimulus
  • Planning beyond ARPA
State Legislative Trends

Local Food Systems
Water
Land
Supply Chains
Resiliency
• Food System Resiliency
• Farmers Markets
• Food Safety
• Food Donations and Food Waste
• Drought and resiliency
• State-wide water planning
• Water quality
• Waters of the US
Land – Ownership, Access and the Soil

Soil Health
- Implementation of programs
  - Colorado HB 1181 (2021)
  - Nebraska LB 243 (2019)
  - New Mexico HB 204/SB 218 (2019)

Access and Preservation
- New and Beginning Farmers
- Farmland Preservation
- Veteran Farmers

Foreign Ownership
- Laws in at least 15 states
- At least 17 states have proposed legislation in 2023
- Resources from the National Agricultural Law Center
More Agricultural Policy Topics

- Specialty Crops
- Animal Agriculture
- Agritourism
- Chemicals and Technology
- Workforce and Education
Highlights from Savannah
Task Force Meeting, June 2022

- Ports, Transportation, Trade
- Pollinators, Products/Marketing
- Aquaculture
QUESTIONS?

Mindy Bridges
Project Manager
Environment, Energy & Transportation
mindy.bridges@ncsl.org

Emily Maher
Project Manager
Fiscal Affairs
emily.maher@ncsl.org