STATEMENT BY U.S. CONFERENCE OF MAYORS PRESIDENT PHILADELPHIA MAYOR MICHAEL NUTTER ON PRESIDENT OBAMA’S FY 2014 BUDGET

Washington, D.C. – The U.S. Conference of Mayors today released the following statement in response to President Obama’s FY 2014 Budget Proposal:

"The nation’s Mayors believe the President’s budget proposal today moves us toward a balanced approach to achieve deficit reduction while promoting growth and investing in national priorities.

"In light of fiscal constraints, we are pleased that there is increased funding for programs such as:

• COPS hiring grants
• School security
• Early childhood education
• Homelessness assistance grants
• Land and water conservation
• Increases to immediately repair highway, transit and other transportation facilities and additional freight and passenger rail investments
• Various new infrastructure programs

"However, we are disappointed that the budget cuts Community Development Block Grant funding, which is the largest funding stream of federal dollars to cities and municipalities used by local governments to leverage additional investment, but the budget has maintained funding for the HOME program.

"We are extremely disappointed that the budget included a provision that severely limits the tax exemption on municipal bonds that finance the nation’s schools, hospitals, roads, transit, water and other critical infrastructure. The proposal would result in billions of dollars in increased interest annually for communities all across the country."
“In meetings with the Administration, Mayors have continually expressed strong opposition to this proposal and reiterated that tax-exempt municipal bonds are essential to providing services for middle-class Americans. We do believe that the Administration has heard and understands our case on this issue and we strongly believe that this proposal would be disruptive to the municipal bond market and it is our position that this proposal should not move forward.

“We support the President’s new proposals on infrastructure, but they should not come at the expense of the primary tool for infrastructure financing and job creation. We do not believe that the Administration will take actions that could damage municipal financing in our country.

“We will continue to work with the Administration, in addition to House and Senate members, on both sides of the aisle who are standing with us to create jobs, fund projects and improve our communities.

“Mayors are keenly aware of the current fiscal climate and that this $3.8 trillion dollar budget is only one of many proposals, from Democrats and Republicans, that we will examine and debate.

“Some of the budget ideas being proposed by members of Congress would likely be even more harmful to our cities than some of the provisions in the President’s budget. We will be vigilant in expressing our opposition to budget ideas that are not in the best interests of our cities. We are committed to working to advance initiatives that help cities to move forward and sustain the economic recovery that has already begun.”

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The U.S. Conference of Mayors is the official nonpartisan organization of cities with populations of 30,000 or more. There are 1,295 such cities in the country today, and each city is represented in the Conference by its chief elected official, the mayor. Like us on Facebook at facebook.com/usmayors, or follow us on Twitter at twitter.com/usmayors.