STATEMENT BY U.S. CONFERENCE OF MAYORS PRESIDENT SACRAMENTO MAYOR KEVIN JOHNSON ON PRESIDENT OBAMA’S FY 2016 BUDGET

Washington, D.C. – The U.S. Conference of Mayors released the following statement in response to President Obama’s Fiscal Year 2016 Budget Proposal:

“The nation’s mayors are pleased that President Obama’s budget embraces proposals that make cities strong and grow local economies by helping working families and those who live in our metropolitan areas.

“We applaud the President’s continuing commitment to expanding infrastructure investment, notably his call for increased funding to our nation’s highways, transit, inter-city rail and freight networks as part of his MAP-21 renewal plan. With a growing population and growing economy, our infrastructure investment must keep pace, as the President is proposing.

“We also applaud the President’s increase in funding for Community Oriented Policing Service (COPS) programs and hiring grants, which will help expand the ranks of our police departments and put more officers on our city streets.

“The President’s proposals to raise the minimum wage, expand paid sick leave for families, ensure pay equity and make higher education more affordable will promote economic mobility and create jobs in America’s cities.

“However, we are very disappointed that the budget cuts the Community Development Block Grant (CDBG) funding, which is the largest and most flexible funding stream of federal dollars to cities and municipalities used by local governments to leverage additional investment. CDBG dollars are used broadly to provide affordable housing options, daycare programs for youth, meal programs for seniors, and housing for the homeless in cities and their metropolitan areas across the country.

“We are also extremely disappointed that the President’s budget would again cap tax-exempt municipal bonds at 28 percent for high-income earners. Cities and local
governments use municipal bonds to finance local building projects and critical infrastructure like schools, hospitals, roads, transit and waste-water systems.

According to a joint study conducted by the Conference and other groups in 2013, the 28 percent cap would have cost state and local governments an additional $173 billion over the last decade.

“In meetings with the Administration, Mayors have repeatedly expressed strong opposition to this proposal and reiterated that tax-exempt municipal bonds are essential to providing services for middle-class Americans.

"Finally, we are disappointed that for the fourth time the Administration has proposed to consolidate the various homeland security grant programs into state-administered block and competitive grant programs in which funding decisions would be based on state and multi-state threat assessments.

“While we support many of the President’s new proposals, we stand firm that they should not come at the expense of critical programs that help cities to thrive and prosper.

“As we said last week at the Conference of Mayors 83rd Winter Meeting, ‘the nation is strong because our cities are strong.’ We are committed to advancing initiatives that help cities move forward and sustain the economic recovery that is already underway in our cities and their metropolitan areas.

“The nation’s mayors will take this message to our allies on Capitol Hill with the goal of restoring CDBG funding and preserving Municipal Bonds as an invaluable economic development tool.”

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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.