GEORGE MASON UNIVERSITY
STATE & LOCAL GOVERNMENT LEADERSHIP CENTER

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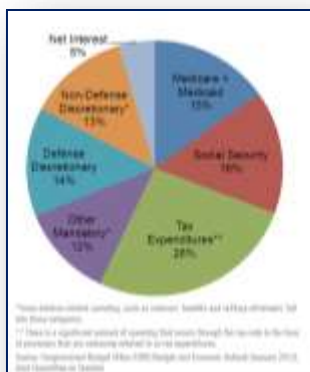
Where is the Trust? President Obama sent a $302 billion, four-year surface transportation bill to Congress on Tuesday that would end the prohibition of tolls on existing interstate highways. Under the proposed legislation, states would be allowed to toll previously free interstate lanes and bridges, but toll revenues would have to be dedicated to maintenance and repairs of any components of the state's highway systems. In addition, the bill would also increase by $4 billion the amount of qualified highway or surface freight transfer facility bonds that could be issued. These are tax-exempt private-activity bonds that permit some private involvement in qualified highway or surface transportation projects. A limited supply of infrastructure bonds in the primary market is linked to issuer uncertainty over federal transportation funding, according to a new report released by Wells Fargo, whose senior analyst, Randy Gerardes, wrote: "State transportation departments are going to look at their total revenues, including state taxes and grants from the Highway Trust Fund, and may not be able to go forward…There will be federal money available, but it will be spoken for." The Highway Trust Fund, which is the source of federal surface transportation grants, is expected to be insolvent as early as July. Without additional revenue in a new highway funding bill to replace the two-year spending law that expires on Sept. 30, the HTF's collection of gasoline tax revenues will be insufficient for new highway projects beginning in fiscal 2015, according to the Congressional Budget Office. Mr. Gerardes wrote that federal funding would be made more certain for state and local transportation issuers with a long-term funding bill that provides sufficient revenues: "The question is what is the long-term solution?...The current bill [Moving Ahead For Progress in the 21st Century] was for only two years when all the previous ones have covered six years. Whatever revenue approach is taken, it needs to be sustainable: "We feel there's a path here, but it must be fully baked." He noted that transportation municipal bond issuance is down across nearly all infrastructure sectors, with tolls roads and mass transit being the bright spots.

Cutting off the Future? Maryland Treasurer Nancy Kopp this week warned that Congressional attempts to ending the tax exemption for state and local municipal bonds would seriously impair the ability of local governments and states to address the nation's eroding infrastructure, warning: "The tax status of municipal bonds is very much in play…We have had a [public-private partnership] for the past 100 years. If we cannot continue the tax exemption, we will build fewer roads and schools and take money from the middle class." Treasurer Kopp, a former state lawmaker serving her third four-year term as state treasurer, called for spending to protect from storm surges: "We need to invest in our core facilities. We're a coastal state and we have to worry about coastal infrastructure. Inland states have needs, too."

Preemption Amazon. The non-collection of state and local use taxes by Amazon is beginning to change—as are the giant e-retailer's sales according to a new study by three Buckeye researchers, who determined that Amazon received about 10 percent less business in five states — California, New Jersey, Pennsylvania, Texas, and Virginia — in the wake of tax law revisions in those respective states, especially when it came to bigger purchases. Sales dropped roughly 16 percent on purchases over $150, and 24 percent on purchases over $300. And, those drops were offset by gains by big-box retailers, who, according to the study, realized a 20 percent increase in purchases. Local brick-and-mortar stores also realized increased traffic and business. The authors (Brian Baugh, Itzhak Ben-David and Hoonsuk Park) noted: "We conclude that to a small degree, the tax legislation achieved its objective of restoring retail activity to local communities, though most of the gains in 'leveling the playing field' are garnered by the online operations of retailers." The study comes as lawmakers continue to debate whether to pass legislation to give states more authority to collect sales tax revenue from online retailers that do not have physical locations within their borders. The Senate passed a measure last year, the Marketplace Fairness Act, which was supported by retail advocates and Amazon. Right now, states can only collect those taxes from in-state businesses, which retail advocates say gives online sellers an unfair advantage. Consumers are in many cases supposed to report and pay sales taxes themselves on online purchases, though rarely do. The House is taking a more methodical approach in dealing with online sales taxes, though Judiciary Committee Chairman Bob Goodlatte (R-Va.) has said he wants to find a solution. Rep. Jason Chaffetz (R-Utah) is also working to try to craft a measure in the House.

Extending, but not paying, for Federal Tax Expenditures. House Ways and Means Chairman Dave Camp (R-Mich.), who devoted the bulk of his leadership over the last two years to strip federal tax breaks out of the code, this week pushed through more than $310 billion in new federal deficit spending to permanently expand tax subsidies or expenditures. The House Ways and Means Committee, on a partisan vote, reported six federal tax break extensions, including the research and development credit, of the 50 that either expired at the end of last year, or expire this year. In addition, the Committee reported an extension of a federal tax subsidies for small business expenses (§179), two tax breaks that help multinational corporations with offshore income, and two incentives for S corporations. Chairman Camp also advised committee members he expected the committee to mark-up more permanent extensions of tax incentives in the coming months. Congress' Joint Committee on Taxation advised the committee that extending all those tax breaks over the long-term would cost around $310 billion between 2014 and 2024, with half that total coming from just the research credit. Federal tax expenditures are the largest and fasted growing part of the federal budget, the federal deficit, and the national debt. Tax expenditures will cost more than $1.4 trillion in fiscal year 2014, dwarfing all federal domestic and defense discretionary spending combined, according to the Tax Policy Center (this very morning). Those that support health and housing policies account for more than 40 percent of this number, or about $640 billion.



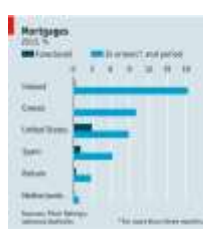
The House Appropriations Committee this week reported the third of 12 annual spending bills it is developing for fiscal 2015, the Commerce, Justice and Science appropriations, which provides $51.2 billion in funding, a cut of $398 million below the current level. The Department of Justice, the Federal Bureau of Investigation (FBI), National Science Foundation, Bureau of Prisons, Drug Enforcement Administration, Bureau of Alcohol, Tobacco, Firearms and Explosives and National Aeronautics and Space Administration (NASA) all get increases in funding. To help pay for the increases, the bill eliminates several dozen small programs for a savings of over $250 million, cuts grants by $73 million and rescinds unspent past funding. As reported, the subcommittee cut the COPS program by $118 million from current funding under this bill, as well as the "wet side" of NOAA which includes cuts of over 5% to Coastal Zone Management Grants and 40% to Fisheries Habitat Conservation and Restoration.

Good Gnus. The U.S. Treasury expects to pay off $78 billion of debt in the third fiscal quarter, compared to an earlier projection, given last February, that it would pay off $40 billion. This will be the largest amount of debt the Treasury has paid off in any quarter since April-June 2007. In a statement, the Treasury said the changed projection relates to higher cash balances. For the fourth fiscal quarter, which begins in July, the government expects to borrow $169 billion. This assumes quarter-end cash balances of $130 billion on June 30 and on September 30.

State & Local Finance

State revenue collections witnessed robust growth in the first half of 2013, but significant softening in the second half, according to preliminary figures for the first quarter of 2014 from the Rockefeller Institute of Government of the State University of New York. The Institute reported that state tax revenues grew by 5.7 and 3.5 percent, respectively, in the third and fourth quarters of 2013 compared to the same quarters in 2012, after growing by more than 9 percent in the first half of 2013. Personal income tax collections grew more slowly, showing only 5.0 and 0.4 percent growth in the third and fourth quarters of 2013. These growth rates are much slower than the 18-plus percent growth increases in both the first and the second quarters of 2013. The slowdown is likely due to the mirror-image effect of the initial fiscal cliff on taxpayer behavior, which had driven tax collections upward a year ago. If Congress had not taken any actions to address the "fiscal cliff" at the end of 2012, tax rates would have risen on several types of income, including capital gains. The Institute noted that the volatility in income tax collections throughout calendar 2013 created challenges for state leaders attempting to accurately forecast income taxes accurately, especially due to "the strong performance of the stock market in 2013 and the unintended consequences of the fiscal cliff....The weak income tax in the fourth quarter and the weakness in the preliminary data for the first quarter." Preliminary January-March 2014 figures from 45 early reporting states suggest further weakening in overall tax revenue collections and possible declines in personal income tax collections. Overall tax collections show growth of 0.7 percent in the first quarter of 2014 compared to the same quarter of 2013. According to the preliminary data, personal income tax collections show a decline of 0.4 percent, while sales tax collections indicate weak growth of about 1 percent.

A New Kind of Urban Crisis? The Great Recession had a disproportionate impact on local governments and public school districts because of the unprecedented numbers of foreclosures. While the foreclosures have tailed off, the number of troubled mortgage loans—those in arrears, rose from .2% before the recession to a peak of 12% in 2012, now a recent paper form the Federal Reserve Board of Atlanta has determined that slowing foreclosures in the U.S. lowered, rather than supported assessed property values during the crisis. (See: Diana Hancock and Wayne Passmore, "**How the Federal Reserve's Large-Scale Asset Purchases Influence MBS Yields and Mortgage Rates**." Now, Harold Meyerson, the editor at large of *The American Prospect*, argues in his piece, "The Revolt of the Cities," that cities can take a lead role in addressing growing disparities within cities—a thesis, however, challenged by others who are apprehensive of growing disparities between cities—that is that in the wake of the Great

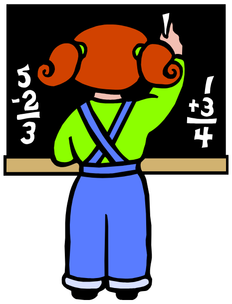


Recession and elimination of federal revenue sharing and deep cuts in federal programs intended to address disparities—as well as state revenue sharing programs, we might be experiencing greater disparities between cities. Mr. Meyerson notes that a number of cities have exceptional, built-in advantages: major research universities; financial and high-tech corporate centers; substantial and strong artistic and intellectual communities—pointing to, for instance: Pittsburgh, which has Carnegie Mellon, metropolitan Boston has Harvard and M.I.T., Seattle has Microsoft and Amazon, and New York has its own varied, almost endless resources. But not every city has such advantages. The *New York Times,* for instance, in an editorial, noted that the per capita incomes in the six listed by *The American Prospect* average $33,200 annually, significantly higher than most cities. The *Times* further noted that the median value of owner-occupied homes in *The Prospect* six averages $319,800, again, significantly higher than most cities. The incisive Bruce Katz, director of the Brookings Institution's metropolitan policy program, was more succinct: "You can't be a progressive without prosperity." In their book, "Toward a 21st Century City for All," John Mollenkopf, a professor of political science and sociology at CUNY, and Brad Lander, a Brooklyn city councilman, acknowledge the disparity favoring already successful cities, noting that New York City is unique in its ability to enact such policies because of its "competitive advantages," which are "not available to the many declining cities of the United States." Richard Florida, an urban expert and a professor at the University of Toronto, told the *Times* there "are deep global forces over which cities and mayors have very limited control," adding that he thinks the most successful cities, including New York, are major drivers of growing inequality: "Clustering of talent is a powerful force, the most basic force of economic growth." New York, San Francisco and other urban hubs attract the most creative and energetic populations, according to Florida, because of the attractive, dynamic nature of the pre-existing local ecology. At the same time, compared with the country as a whole, cities have a disproportionate share of recent immigrants and of the dispossessed, the impoverished and the marginalized. The result, in Florida's view, is that America faces "a new kind of urban crisis brought on by the success of some of our cities," with diverging cities "divided by talent clusters, by concentrated disadvantage juxtaposed with concentrated advantage."

Direct Bank Lending? The ever effervescent Matt Posner of Municipal Market Advisors this week writes that he expects continued growth of direct bank lending to municipalities until strong commercial and industrial loan generation emerges, noting that a so-called direct purchase (DP)—where a city, county, state, etc. receives a loan straight from a bank for a financial need that traditionally would have been financed via municipal tax-exempt bonds could have been traditionally financed through municipal bonds—could reach the $40-$50 billion range again this year, and that DP now represents a major new source of capital for infrastructure needs and cash flow for municipalities and states. Typical DP's include 3-year renewable notes with a floating-rate interest; fixed rate loans of short and longer maturities with customized optionality; commercial paper program that functions like a line of credit; a bond anticipation note to draw down as needed ahead of permanent financing, or to refund bonds that are not advanced refundable, among other structures. He points out that these are issuer-friendly financing instruments, in that they can be concluded quickly and without the need for public documentations, ratings, bond counsel, advisory or underwriting; that their use can bypass many regulatory obligations or requirements that entail costs of traditional municipal bond issuance, and that DPs do not rely on a bank letter of credit or other form of liquidity. However, he advises stepping into this den of crocodiles with caution, noting:

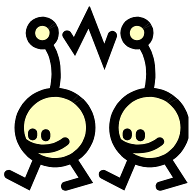
- The lack of disclosure in DP's remains the most serious problem accruing from the spread of these transactions. Investors in a particular issuer's bonds may not know the credit and/or acceleration terms of a new DP borrowing by the issuer or that the DP has happened at all. This could force investors to be more cautious in allocating capital to that issuer—strongly suggesting that if your state or local government is going to consider a DP, disclose all details of the transaction—and make sure to take advantage of GFOA's Best Practice on Understanding Bank Loans;
- If a bank chose not to (or could not) rollover existing loans now being written, it could force your local or state government to term out the loan or access more alternative sources of capital.

- As DPs proliferate, traditional municipal bond issuance declines—albeit, at the moment, that decline has assisted states and local issuers of municipal bonds to realize lower yields. Nevertheless, he writes, shrinking issuance could accelerate the industry contraction as securities firms' revenues fall below budgetary levels, meaning that fewer market participants could lead higher costs of traditional issuance in the future.



Who Loves to Hate Property Taxes? It is difficult to find any taxpayer who likes taxes—and the property tax is often at the top of such list. This week, a serious effort has been underway in the Pennsylvania legislature, or as State Sen. Dave Argall put it: "We believe we are closer than ever before to slaying the school district property tax beast." Sen. Argall is of the view that a revised plan to eliminate school property taxes now has enough support to pass the state Senate if it were put to a vote in that chamber. School property taxes generate about $12 billion for public schools in the Keystone State. The latest version of Pa. Senate Bill 76 would increase the state's personal income tax to 4.34 percent, up from the 3.07 percent rate that has been in place since 2004; in addition, it would raise the state sales tax by 1 percent, to 7 percent, as well as broaden the base to have the sales tax apply to more items. It would ensure in the first year of its implementation, which could be as soon as next year, that districts would receive the same amount of funding from the state they received this year and cost-of-living adjustments in each successive year. Under the bill, no school district would lose revenue, according to Sen. Argall. As you might imagine, however, the effort to slay the proverbial beast is not without its opponents. The Pennsylvania Chamber of Business and Industry is among those who oppose the plan, with its leaders charging such a change would increase the taxes small businesses who lease space pay without reaping the benefit of having another tax go away, with its communications director warning: "Shifting away from the property tax and toward higher levies of these taxes could lead to significant funding shortfalls in the event of a future economic downturn, which would likely force employers to make up the difference through even higher taxes." David Baldinger, a spokesman for the Pennsylvania Coalition of Taxpayer Associations, predicted the current school funding system eventually will collapse, pointing to statistics that show since 1993, school property taxes have increased by 146 percent while the average weekly wage has increased by 80 percent: "That gap between revenue source and property taxes keeps widening. That is not sustainable forever," Mr. Baldinger said. "If we have worries about the volatility of the sales and income taxes, we have even bigger worries if the property tax is going to be sustainable over time." Sen. John Yudichak, D-Luzerne County, said it will move the state's antiquated school funding system into the 21st century: "We are taking on a big challenge here to make this dramatic change…There will be folks that resist that just because it's change in and of itself. But if anybody who is interested or anybody is passionate about funding our schools in a 21st century way, this is it. Senate Bill 76 has to move forward." The committee did not vote on the bill, which is the latest in a decades-long quest to eliminate property taxes. A similar bill in the 203-member House failed with just 59 supporters last year.

MicroHousing. Roy Eappan of Wells Fargo this week in a brief, "Demographics and Housing Consumption," notes significant changes in municipal housing market trends due to the growing demands for rental housing—which have, in turn, led to supply challenges. He writes that in the face of this surge, a number of cities have approved plans for micro-unit construction, where units are as small as 220 square feet—where renters would find affordable shelter, reporting that cities with such construction include San Francisco, New York, and Seattle, but adding that what is notable is the local government support, and advising us that while renting tends to be associated with young- and single-person households, housing is the largest component of consumer expenditures, so that such trends may speak to consumption more broadly—especially in an era where even college graduates suddenly find themselves in an unpromised, difficult job market and bear higher student debt burdens than past generations: "An expanding aging population is likely to reduce their consumption." Mr. Eappon notes: "[While much focus here has been on young adults moving back with parents, the most common arrangement for multigenerational households is for older adults to move in with their children or grandchildren. According to the Census, 64% of such households have this arrangement. This is expected to rise as the country ages. Nielsen noted in 2012 that in five years, adults older than 50 will control 70% of the country's disposable income."



Challenges of the Emerging Sharing Economy. One half of the twin cities, Minneapolis, this week held a boisterous public hearing on an issue bedeviling local and state leaders around the globe: the emerging sharing economy—whether it be transportation or boarding, the emergence of innovative ecommerce ride-sharing and room sharing options is creating unprecedented taxing and regulatory conundrums. In Minneapolis, the issue was over how to regulate newcomer transportation companies that let people become chauffeurs of their own personal cars—an emerging issue over which Seattle's City Council last month that Lyft, SideCar, and UberX should be limited to 150 drivers each at a time—though a petition has gained enough signatures to put even this requirement on hold. In St. Louis, a judge has already ordered Lyft to step on the brakes in St Louis—while New York flattened RelayRides nearly a year ago for non-compliance with the Empire State's insurance laws. Lyft, which the *Economist* terms a "darling of the 'sharing economy,'" the term increasing used to refer to emerging companies that utilize the internet to bring together people with underused assets—anything from spare rooms to spare time—and others who might like to rent them, specializes in cars: it registers and vets drivers who are willing to offer a ride in return for a "donation" and to place Lyft's trademark fluffy pink moustache on the front of their vehicles; passengers request a Lyft, and pay, via a smartphone app. The two parties rate each other afterwards, also through the app, which is a common practice in the sharing economy. Fifteen months ago the service operated only in San Francisco, but today the venture is moustaching its way in over 30 U.S. cities and expanding by the week. Similarly, Airbnb, through which weary readers can use an app to find apartments and rooms to treehouses and boats to stay in unique spaces in 192 countries, and which, at its most recent valuation, is purportedly worth more than all but the biggest hotel chains, is suddenly an abrupt new presence in cities. Not only are the lodging (even Hotel.com!) and taxi industries up in arms, but the new phenomenon is raising hard questions with regard to licensing and taxes. In New York, State Attorney General is demanding that Airbnb hand over information about hosts with more than one property listed on the site. According to Skift, a travel-industry website, there are 1,849 of these, which account for as much as 30% of Airbnb's New York listings; 102 have seven properties or more; nevertheless, Airbnb is resisting Mr. Schneiderman's demands, on privacy grounds, claiming the attorney-general is persecuting ordinary New Yorkers who want to earn a few extra dollars by renting out their home for a couple of nights. The two sides were in court on April 22nd, but no verdict was reached. For municipal leaders, already exhausted from seeking to remedy the non-payment of lodging taxes by Hotel.com, there is not only the issue of safety and liability, but also tax revenues. Airbnb has said it is willing to collect hotel taxes in New York, Portland, and San Francisco; and the ecompany has recently revised its terms and conditions, spelling out in greater detail its hosts' obligations to declare what they earn, as well as to honor their leases. San Francisco is considering the legalization of some short-term letting. Hosts must live in the property at least three-quarters of the time, register with the city, and pay the 14% hotel tax. In Minneapolis, a key issue is whether Lyft and Uber are distinct enough from taxicabs to warrant the more relaxed regulations: traditional taxi industry representatives, highlighting the growing use of smartphone apps to find cabs, argue their services are similar enough that one ordinance should cover everyone; but Lyft and Uber supporters contend that the services are unique by allowing drivers to work part time, make connections in their community, and deliver superior service because of driver and customer ratings. Under Minneapolis' proposed rules, Lyft and Uber would be permitted to provide services as so-called transportation network companies—if the proposal is approved. The city would regulate their insurance and require their cars to be inspected, as it does for taxis. By definition, however, only taxicabs could accept passengers that hail vehicles on the street. Rides with Uber and Lyft would have to be prearranged.

The City Council committee weighing the new regulations took public testimony this week, but is expected to continue working on the ordinance for several weeks before a final vote. An additional factor is human: *what happens to the taxi drivers*—whose only source of income, often, is their full-time job as a taxi driver? In Minneapolis, taxi drivers must pay $475 a year to maintain a license, $135 twice a year to have vehicles inspected, upward of $155 a week to their dispatch company, and about $580 a month to maintain commercial insurance—and that's before gas, maintenance, and relatively regular replacement.

The Equity of Helping. According to reports, seventeen people were reported killed this Monday after tornadoes tore through Alabama, Mississippi, and Tennessee. There will be federal disaster assistance—just as there is for the devastated communities around Oso in Washington State. And just as there was for Ford, General Motors, Fannie Mae and Freddie Mac, and Wall Street after the Great Recession. Yet Congress and the White House have been ever so clear there shall be no bailout for Detroit. Yet it seems to be difficult to discern this ever so fine federal line that seeks to distinguish between natural versus man-made disasters that can so devastate local governments and their citizens, not to mention overwhelm their capacity to respond. Some of it might relate to some concept of culpability—although that clearly implies a double standard with regard to the nation's largest financial institutions. When a major natural disaster strikes—whether Katrina, Oso, or the great storm that struck the Northeast; the White House and Congress are quick and generous in response. But the unwritten federal standard of culpability becomes difficult to apply. This week we learned that a Snohomish County, Wa. official was aware at least eight years ago of a geological report warning of the potential for a "large catastrophic failure" where the deadly March 22nd landslide in Oso occurred. A county engineering geologist referenced the 1999 report in preparation for a presentation for homeowners following a smaller 2006 landslide. His notes summarize the key points of the report, but make no mention of the catastrophic warning, raising new questions about just how much county officials knew about catastrophic landslide risks in the area before last month's slide, which claimed at least 41 lives. That report contained some of the direst warnings about the site, long reputed to be landslide-prone area. County officials have said that a slide of that magnitude was unforeseeable, and that they did everything they could to keep residents safe following the 2006 landslide, including armoring the banks of the Stillaguamish River to prevent flooding. Seattle geomorphologist (someone much smarter than I who studies landforms and the processes that shape them) Daniel Miller, author of the 1999 report, told the *Wall Street Journal* he wished more had been done. "I am sad that the information didn't get carried through further," expressing his concern that construction in Steelhead Haven should have been halted. Seven new homes were permitted in the area after the 2006 slide, according to the planning department. In his report, completed for the U.S. Army Corps of Engineers as part of study of fish habitat, Mr. Miller wrote that the "gradual changes in landslide geometry" could increase potential for "large catastrophic failure." He wrote that he was unable to predict the "timing of future landslide activity" and concluded that activity would persist as long as the river continued to erode the hill's base.

Is Detroit Contagious?

Should Operations Trump Security? Fitch, in its new report, "Rating to Bondholder Security after Detroit," has offered one of its first detailed looks at how the largest municipal bankruptcy in the U.S. may prompt a change in its ratings methodologies, noting that the Motor City's proposed plan of adjustment "strains boundaries" of creditor expectations. That could be a signal that the outcomes in Detroit will affect every state and local government. Fitch noted that if Kevyn Orr's plan is approved by U.S. bankruptcy court, it will "challenge traditional rating distinctions linked to bondholder security." Under its tentative settlement, as incorporated in its current plan, the city has reached a

tentative settlement with its unlimited-tax general obligation bondholders that provides for a 74% recovery, but its remains to settle with its limited-tax GO holders—to whom it is proposing repaying them roughly 10 cents on the dollar. Detroit also seeks to impair its water and sewer bonds, though repaying 100% of its principal, and invalidate entirely $1.4 billion of certificates of participation (COPs) issued to boost its pensions. This proposed treatment, according to Fitch, demonstrates how a municipality's "operations trump security." Amy Laskey, the agency's crack analyst, wrote: "Maintaining or restoring essential services should be expected to trump attention to security distinctions when a municipality is distressed to the point of bankruptcy…Rating distinct security structures at levels without any direct linkage to the [unlimited-tax general obligation] debt will make sense only when that security reflects impregnable legal protection. It remains to be seen whether special revenue status, which could include a statutory lien on dedicated tax revenues, affords that kind of protection. The proposed impairment of the utility debt in the [city's plan of adjustment] suggests it may not." In addition, Ms. Laskey noted that the Motor City's efforts to overturn its $1.4 billion of pension certificates of participation, issued in 2005, could create a limited legal strategy for other distressed municipalities, but, she noted, state law or state-based court actions will likely play a larger role in examining such debt issuances in the future if Detroit is successful. Ms. Laskey wrote that the issuance of COPs or lease revenue bonds through a conduit, as Detroit did, is common, especially in states like California, which requires voter approval for GO debt, and Florida, noted Fitch; in contrast, she noted: "Detroit's structure was described at the time as novel and does not benefit from either statutory authorization or judicial review of a similar structure in a Michigan court….Whether or not [the plan of adjustment's] novel approach to bondholder security stands, the underlying operational strength of the obligor will remain paramount. No matter how much legal fortification there is for the GO pledge, we believe bondholder payments will always be vulnerable where there is extreme financial distress and a desire to reduce fixed costs or divert spending to operations."

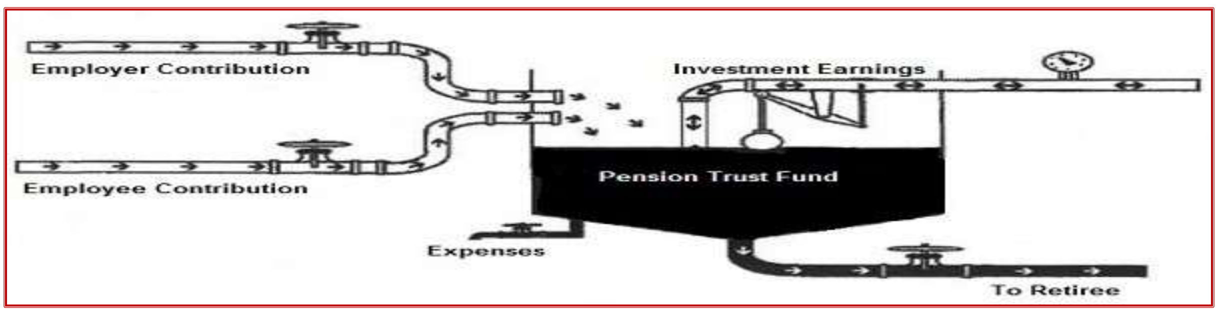


Figure 1 Illustration by David P. Hayes

Pensionary Tidings

Analyzing Public Pensions. In a municipal commentary, which my favorite Longhorn municipal elected leader termed: "spot-on…excellent: fair and thorough, the truly astute," Natalie Cohen of Wells Fargo wrote that state and local leaders should look at contribution levels, plan assumptions, and other factors when analyzing the health of their respective public pension systems to avoid underfunding—and, of course, to ensure what the brilliant Kansan export to Berkeley, Chris McKenzie, notes is so critical to service level solvency. Ms. Cohen writes that disclosure is hard to find and assumptions vary widely across plans, but recommends that municipal market participants should analyze whether a state or local government is paying into the fund at a level recommended by actuaries, presciently noting: "Not doing so is effectively a commitment to consume the resources of future taxpayers without offering them a corresponding benefit." The statements of funding progress in a plan's audits are useful to look at when determining whether the state or local government is paying into its plan appropriately and is maintaining or depleting assets—adding, however, that these are imperfect at best, writing that the statements in the audits of Detroit's plans demonstrated unfunded actuarial liability that was significantly lower than the amount in the city's bankruptcy papers. She also warned that market participants should look at whether there are any constraints on state or local officials enriching benefits when assets are performing well, because adding new benefits puts more pressure on funds to maintain high returns and leads to a need for a greater pay-in from employees and future taxpayers when the funds do not perform as well, recommending: "We suggest that formal or legal 'brakes' be put into place to ensure a temporary surplus is not spent down or committed to other purposes." Key thoughts she shared:

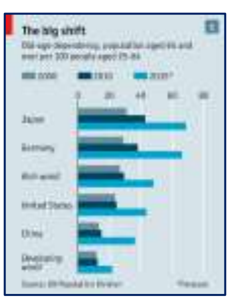
1. Paying In: First and foremost, is the state or local government paying into the fund at a level recommended by the actuaries? Not doing so is effectively a commitment to consume the resources of future taxpayers without offering them a corresponding benefit. That is, resources will need to be consumed after the productive service of the employee is finished. This is a basic explanation of an important concept of "intergenerational equity." In the current environment, it is a tough sell for politicians to advocate tax increases to cover legacy costs that may have built up due to "payment holidays." Unfortunately, the other option is to erode service levels in an environment where benefit changes are difficult or "untouchable." To demonstrate the adverse consequences of not paying in, we include a series of tables at the back of this report for selected governments that have and have not been paying into their plans.

2. Meeting the Target Return on Assets: Second, is the state or local government consistently meeting its "reasonably expected" return on assets in the fund? This, combined with "paying in," help to build enough assets to support an employee in retirement—i.e., meet the promises made—and to benefit from the effect of compounding. In this context, it is also important to consider the riskiness of the assets in the fund, discussed further below, which may increase the probability of not meeting target returns in some years while perhaps exceeding them in others (i.e., What's the "beta?").

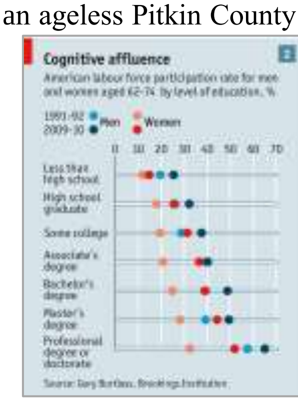
3. What Are the Assumptions? Third, are the assumptions reasonable? For example, Detroit and Chicago use "open" amortization of their unfunded liabilities, permitted by the Government Accounting Standards Board (GASB), which is really no amortization at all because the amortization is recast each year. Another factor is "asset smoothing." Some plan sponsors smooth asset gains and losses over a long period, rather than using market or fair value. Other core assumptions for measuring liabilities include the "benefit factor" and cost-of-living adjustments (COLA) that may be automatic or "ad hoc."

4**. How Objective Is Governance?** The quality of plan governance is critical. In some cases, plan management is charged with establishing the valuation of assets themselves—particularly for alternative investments. While comparable asset values may be scanty in certain asset classes, impartiality is important.

Demography

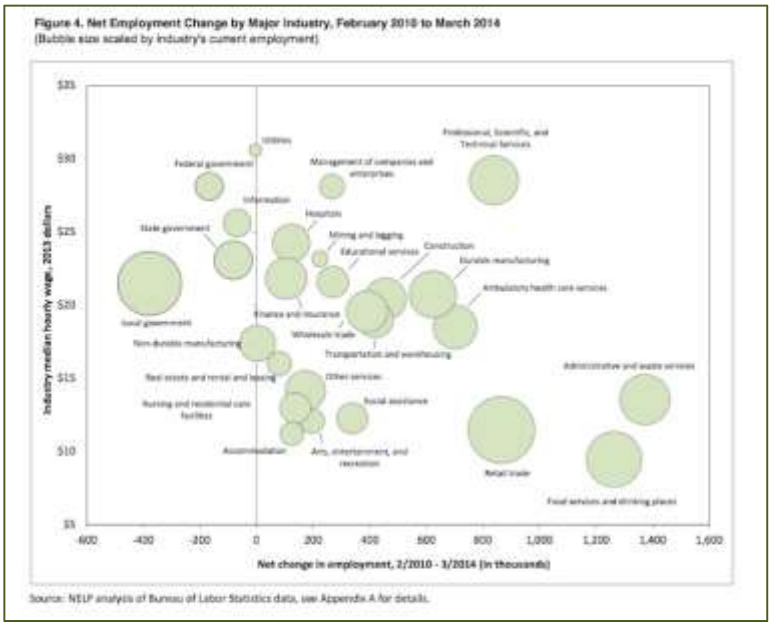


Knock, knock! In this section, we often write about some of the unique challenges of the Silver Tsunami, especially for local governments—(Please see: Innovations in Aging (Guidebook), last week reporting on the critical role of municipal building codes (we did hear from (*really*) an ageless Pitkin County reader, who wrote: "Well the bears here are smart, but not all that smart. There is a pair of French entry doors on the last house we did. One door is the active door, with regular levers. The other door is stationary, with a fixed lever. The bear twisted the fixed lever right out of the one door, but left the operating lever in the other door untouched. He must have been left-handed (left-pawed?)." But beyond the municipal responsibility to address building code issues to not just distinguish between oldsters and hungry bears, but, more importantly, to anticipate this silver tsunami, there are different demographic challenges and opportunities: disparities. In this country, highly skilled professionals are, increasingly, working longer than the less-skilled. That will add to the economy—and



add talent and experience to state and local work forces. But it could also mean greater and greater disparities that will challenge state and local leaders. Some 65% of American men aged 62-74 with a professional degree are in the workforce, compared with only 32% of men with only a high-school certificate. Indeed, the percentage of Americans over 65 has nearly doubled just since 2000 to 20%, compared to 13% then. A key factor is education. Better-educated older people are far more likely to work for longer. Gary Burtless of the Brookings Institution has calculated that, in America, only 32% of male high-school graduates with no further formal education are in the workforce between the ages of 62 and 74. For men with a professional degree the figure is 65% (though the overall number of such men is obviously smaller). For women the ratios are one-quarter versus one-half, with the share of highly educated women working into their 60s soaring.

Changing Demographics of the Workforce. We live in a dynamic economy, and—as one can see from the BLS chart, there have been remarkable changes just in the last four years—changes that, of course, have significant implications for state and local leaders in terms of revenues, employment, pensions, etc. One area to note involves that changing mix of higher and lower-paying jobs, with data finding that 44% of job growth coming in low-wage sectors—sectors that realized a 22% job loss during the Great Recession. A key is to note that local government realized the largest decline in employment, and that, of the 627,000 government (at all levels) jobs lost, some 44 percent were from education at the local level. Below, from a paper by the inimitable Natalie Cohen of Wells Fargo Securities, you can see – with the exception of you unaging readers — that we are on a course of gradually seeing an ever-increasing percentage of state and local residents over 65: changes that mean an ebbing base will confront harder choices about financing public pension promises for a cohort living longer than previous generations, and requiring greater public services—but also, at the professional level, working longer and contributing more than any previous generation to state and local economies:



Cities Are Also Aging
Population and Population Over 65 for Select Cities and States

Year	City: Population	City: Population Over 65	City: % Over 65	State: Population	State: Population Over 65	State: % Over 65
		Los Angeles			**California**	
2000	3,694,820	357,129	9.7%	33,871,648	3,595,658	10.6%
2010	3,792,621	396,696	10.5%	37,253,956	4,246,514	11.4%
2012	3,857,786	425,299	11.0%	38,041,430	4,599,393	12.1%
		Chicago			**Illinois**	
2000	2,896,016	298,803	10.3%	12,419,293	1,500,025	12.1%
2010	2,695,598	277,932	10.3%	12,830,632	1,609,213	12.5%
2012	2,714,844	296,635	10.9%	12,875,255	1,695,712	13.2%
		New York City			**New York State**	
2000	8,008,278	937,857	11.7%	18,976,457	2,448,352	12.9%
2010	8,175,133	993,158	12.1%	19,378,102	2,617,943	13.5%
2012	8,336,697	1,046,088	12.5%	19,570,261	2,759,461	14.1%
		Philadelphia			**Pennsylvania**	
2000	1,517,550	213,722	14.1%	12,281,054	1,919,165	15.6%
2010	1,526,006	185,309	12.1%	12,702,379	1,959,307	15.4%
2012	1,547,607	189,046	12.2%	12,763,536	2,041,930	16.0%
		Houston			**Texas**	
2000	1,953,631	164,065	8.4%	20,851,820	2,072,532	9.9%
2010	2,099,451	189,942	9.0%	25,145,561	2,601,886	10.3%
2012	2,161,686	207,095	9.6%	26,059,203	2,837,722	10.9%

Note: 2012 data based on 1 year estimates
Source: US Census and Wells Fargo Securities, LLC

State & Local Innovation

Quotes of the Week

"Washington is AWOL, totally AWOL,…And the state capitals have, as we know in Illinois, huge budgetary problems, and we are cast on our own at a moment in time to try to boost our economies." ~ Windy City Mayor Rahm Emanuel.

"Property values are back up faster than expected, but the pressure is still there…It's hard to be a city in Michigan because state policy is very negative toward cities in general." ~ Eric Scorsone, an economist at Michigan State University in East Lansing who specializes in municipal finance.

"The decision here is most likely all or nothing: One side is going to win and the other side is going to lose — and that's going to be very happy on one side and very tough on the other side." ~ U.S. Bankruptcy Judge Steven Rhodes.

"Municipal Bankruptcy, to a large degree, is like 'Let's Make A Deal.' " ~ The incomparable Jim Spiotto.

"State and local finances are very important to the stability of our economy. I think that the complete elimination of the state and local deduction would be something that would be a real challenge for many jurisdictions." ~ U.S. Treasury Secretary Jacob Lew, testifying before Congress on the proposed tax reform plan recently released by Ways and Means Chairman Dave Camp (R-Mi.).

Ethics & Public Trust

TIME TO STEP UP
Daily Press Editorial (Paywall for certain articles)

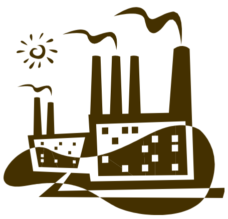
Running for public office takes courage, confidence and the committed support of family and friends. The endeavor is not easy — walking through neighborhoods and knocking on doors takes plenty of time and effort — nor is it cheap, since campaign signs do not grow on trees. So as we head down the stretch toward Election Day, we extend our gratitude to those who volunteered for the experience and seek a place in local government. And we encourage other civic-minded citizens to lend their time and talent to the calling of public service, since our communities will surely benefit as a result.

Earning the public's Trust. *The Virginia Pilot, in an editorial this week, wrote:* Norfolk, Virginia's Commonwealth's Attorney Greg Underwood, convicted of drunken driving and facing a jail sentence, must resign. Failure to do so puts Underwood in the awkward and untenable predicament of enforcing laws he has failed to uphold as the city's elected top prosecutor. Underwood has been silent since his October arrest on charges of drunken driving, refusing to take a breath test and carrying a concealed weapon in public. Greg Underwood, average citizen, has the right to make a strong defense if police believe he was driving drunk. Greg Underwood, Norfolk's chief prosecutor, has a responsibility to come clean to the public about the Oct. 23 incident. A State Police trooper testified that Underwood drove through a work zone and safety cones to take the Brambleton Avenue exit off Interstate 264. Since the arrest, the elected official has said virtually nothing about the incident to Norfolk residents or the media.

Little Legalities

Federalism

Federal Preemption Upheld. Judge Lynn Adelman, of the United States District Court for the Eastern District of Wisconsin, found that Wisconsin's 2011 law mandating state-approved photo ID cards at polling places violated the 14th Amendment of the Constitution as well as the Voting Rights Act, which bars states from imposing rules that abridge a citizen's right to vote based on race or color, writing: "I find that the plaintiffs have shown that the disproportionate impact of the photo ID requirement results from the interaction of the requirement with the effects of past or present discrimination…Blacks and Latinos in Wisconsin are disproportionately likely to live in poverty. Individuals who live in poverty are less likely to drive or participate in other activities for which a photo ID may be required (such as banking, air travel, and international travel) and so they obtain fewer benefits from possession of a photo ID than do individuals who can afford to participate in these activities." Judge Adelman enjoined the state from requiring voters to provide identification cards, and required officials to seek legal approval of any revised law. The judge pledged to expedite hearings on any rewritten law, but wrote that "it is difficult to see how an amendment to the photo ID requirement could remove its disproportionate racial impact and discriminatory result…There is no way to determine exactly how many people Act 23 will prevent or deter from voting without considering the individual circumstances of each of the 300,000 plus citizens who lack an ID. But no matter how imprecise my estimate may be, it is absolutely clear that Act 23 will prevent more legitimate votes from being cast than fraudulent votes," adding: "Virtually no voter impersonation occurs in Wisconsin, and it is exceedingly unlikely that voter impersonation will become a problem in Wisconsin in the foreseeable future." Judge Adelman wrote: "A person would have to be insane to commit voter-impersonation fraud," noting the high costs of being prosecuted for that crime compared with the low benefits of casting one additional vote. In the decision, the judge found that 300,000 Wisconsin voters, or 9 percent of all registered voters, lack the required ID — more than twice the margin of victory in the most recent election for governor, writing: "A substantial number" of those voters are lower-income and poorly educated residents who face a "unique barrier" to obtaining the underlying documents that are a prerequisite to receive a photo ID. Some cannot afford the $20 for a birth certificate; others must spend weeks tracking down documents at government agencies inaccessible by public transportation: "It is absolutely clear," Judge Adelman concluded, that the law "will prevent more legitimate votes from being cast than fraudulent votes." *Frank v. Walker*, U.S. District Court, No. 11-CV-01128, April 29, 2014.



An Ill Wind. Justice Ruth Bader Ginsburg, writing for the 6-2 majority, described the basic weather-pattern problem that EPA sought to solve in this dispute between states that sendeth and those that receiveth by quoting the King James Version of the Bible: "The wind bloweth where it listeth, and thou hearest the sound thereof, but canst not tell whence it cometh, and whither it goeth," as the Supreme Court on Tuesday upheld an EPA rule that will parcel out the duty to stop or at least reduce sooty air from blowing from one state into another—addressing the key issues: Does the court of appeals lack jurisdiction to consider the challenges to the Clean Air Act on which it granted relief; whether states are excused from adopting state implementation plans prohibiting emissions that "contribute significantly" to air pollution problems in other states until after the EPA has adopted a rule quantifying each state's inter-state pollution obligations; and whether the EPA permissibly interpreted the statutory term "contribute significantly" so as to define each upwind state's "significant" interstate air pollution contributions in light of the cost-effective emission reductions it can make to improve air quality in polluted downwind areas, or whether the Act instead unambiguously requires the EPA to consider only each upwind state's physically proportionate responsibility for each downwind air quality problem. Justice Ginsburg wrote: "In crafting a solution to the problem of interstate air pollution, regulators [the EPA] must account for the vagaries of the wind." Pollution, it appears, rises from various industrial sources, like power plants and factories, and wafts with the wind currents from place to place, sometimes over hundreds of miles, and even changes its chemical nature, creating hazards to health in its ultimate destinations — mainly, but not entirely, in leeward states. The crux of the issue was similar to the Golden Rule: do unto others as you would have them do unto you, or, as the Court put it: how to interpret a so-called "good neighbor policy," mandated by Congress in 1977. Aware that "upwind states" were sending foul air to "downwind states," the federal policy ordered states to develop plans to keep polluters within their borders from sending into other state winds that would keep those neighbors from satisfying federal clean-air requirements. Determining that the approach adopted in 1977 did not deal adequately with the problem because it was too limited in scope, Congress in 1990 told the states to prohibit any source inside their borders from adding "significantly" to neighbors' ability to maintain clean air. After a trial and retrial EPA set of regulations, the most recent approach, the one upheld by the Court on Tuesday, is a complex rule adopted in 2011 that took into account nearly 2500 wind flow patterns between upwind and downwind states. In view of that complexity, EPA opted not to calculate each upwind state's share of the blame for transporting pollution to a neighboring state. Instead, it selected the states whose pollution migration had more than a minuscule impact on neighbors, with the scope of its pollution-reducing duty defined mainly by the cost of doing so—formulas that did not have the direct effect of assigning to each state its actual proportion of the reduction in air quality downwind. EPA's approach, however, was struck down by the U.S. Court of Appeals for the District of Columbia Circuit, which ruled that EPA was supposed to apportion the blame state by state on the basis of their share of downwind impairment of air quality, holding that EPA should not have stepped in to craft a pollution-control plan of its own for the upwind states, but rather should have held off until those states were given a chance to adopt control methods on their own. The Supreme Court, however, overturned the D.C. Circuit on both points, holding that the courts were obliged to defer to EPA's expertise on how to fashion an explicit "good neighbor policy" that dealt with "the vagaries of the wind." The Justices also ruled that EPA had no duty to give the affected states a new opportunity to fashion their own pollution-control strategies to protect their neighbors, before EPA stepped in to develop its own approach. *American Lung Association v. EME Homer City Generation*, U.S. Supreme Court, #12-1182, April 29, 2014.

Land Use & Zoning

Zoning, Planning & Land Use. In 2013, the Supreme Court dismissed without prejudice a condemnation proceeding by plaintiff-appellee, the State of Delaware Department of Transportation ("DelDOT"), against the defendants-appellants, Jack and Mary Ann Lawson. Thereafter, the Lawsons moved for an award of litigation expenses and costs, which the Superior Court denied. The Lawsons appealed that order, claiming they were entitled to reimbursement for the litigation expenses they incurred by virtue of the condemnation proceeding, under both the Real Property Acquisition Act, and the common law bad faith exception to the so-called "American Rule." They also claimed they were statutorily entitled to an award of costs. As a matter of first impression, the Supreme Court construed certain language in 29 Del. C. 9503, and held that that provision required reimbursement for litigation expenses related to a condemnation proceeding where a court determines that the subject property cannot be acquired by the governmental entity's particular exercise of its underlying eminent domain power in that specific proceeding. Accordingly, the Court determined that the Superior Court erred by denying the Lawsons' motion for litigation expenses under 29 Del. C. 9503. The Court also concluded, however, that the Superior Court correctly determined that the Lawsons were not entitled to litigation expenses under the bad faith exception to the American Rule. Finally, the Court held that the Superior Court erred by not addressing the Lawsons' application for costs. *Lawson v. Delaware*, Delaware Supreme Court, #518, April 23, 2014.

Special Assessments. The City of Fremont paved on block of a street and assessed the paving costs against abutting property owners. The City relied on Nebraska's "gap and extend" law, which permits a city to "pave any unpaved street…which intersects a paved street for a distance of not to exceed one block on either side of such paved street" to authorize the paving. Appellees, legal titleholders of property that abutted upon and was adjacent to the street, filed a petition on appeal, alleging that the levy of special assessments was invalid. The district court sustained Appellees' motion for summary judgment, concluding that the City did not comport with the limitations and restrictions required by the gap and extend law. The Supreme Court reversed, holding that the plan language of the statute authorized the paving. Remanded with direction to enter judgment in favor of the City. *Johnson v. City of Fremont*, Nebraska Supreme Court, S-13-668, April 18, 2014.

Grants

CFDA	Opportunity Title	Federal Agency	Opportunity Number	Eligibility	Due Date	Match?
10.319	Farm Business Management and Benchmarking Competitive Grants Program	Department of Agriculture-National Institute of Food and Agriculture	USDA-NIFA-FBMB-004523	State agricultural experiment stations, Institutions of Higher Education (IHEs), university research foundations, and other research institutions/organizations	5/30/2014	
10.500	AgrAbility: Assistive Technology Program for Farmers with Disabilities	National Institute of Food and Agriculture	USDA-NIFA-SLBCD-004524	Cooperative Extension at 1862 Land-Grant Colleges and Universities, the University of the District	6/4/2014	

				of Columbia, and at 1890 Land-Grant Institutions		
10.500	Rural Health and Safety Education	National Institute of Food and Agriculture	USDA-NIFA-RHSE-004522	Land-grant colleges and universities that are eligible to receive funds under the Act of July 2, 1862 (7 U.S.C. 301 et seq.), and the Act of August 30, 1890 (7 U.S.C. 321 et seq.)	6/6/2014	
10.674	2014 Statewide Wood Energy Teams Request for Proposals	Forest Service	USDA-FS-WERC-2014-SWET	State and local governments, IHEs	5/20/2014	X
10.674	2014 Hazardous Fuels Wood to Energy Grant Program Request for Proposals	Forest Service	USDA-FS-WERC-2014-W2E	State and local governments, IHEs	6/3/2014	X
12.300	Basic and Applied Scientific Research	Department of Defense-NSWC - CRANE	CRNBAA14-001	Unrestricted	5/22/2014	
12.420	DoD Autism Clinical Trial Award	Dept. of the Army -- USAMRAA	W81XWH-14-ARP-CTA	Unrestricted	10/7/2014	
12.420	DoD Autism Idea Development Award	Dept. of the Army -- USAMRAA	W81XWH-14-ARP-IDA	Unrestricted	10/7/2014	
12.420	DoD Peer Reviewed Cancer Career Development Award	Dept. of the Army -- USAMRAA	W81XWH-14-PRCRP-CDA	Unrestricted	9/17/2014	
12.420	DoD Peer Reviewed Cancer Idea Award with Special Focus	Dept. of the Army -- USAMRAA	W81XWH-14-PRCRP-IA	Unrestricted	9/17/2014	
12.630	Research and Education Program for Historically Black Colleges and Universities and Minority-Serving Institutions (HBCU/MI) Equipment/Instrumentation	Dept. of the Army -- Materiel Command	W911NF-14-R-0009	Historically Black Colleges and Minority-Serving IHEs	6/18/2014	
12.910	Hand Proprioception	DARPA - Biological Technologies Office	DARPA-BAA-14-30	Unrestricted	9/10/2014	
12.560+	National Geospatial-Intelligence Agency Academic Research Program	National Geospatial Intelligence Agency	HM0210-14-BAA-0001	IHEs	9/30/2017	
12.910	Innovative Systems for Military Missions	DARPA - Tactical Technology Office	DARPA-BAA-14-25	Unrestricted	4/24/2015	
14.896	Family Self-Sufficiency Program Coordinators	Department of Housing and Urban Development	FR-5800-N-08	Public Housing Agencies currently administering an HCV FSS or PH FSS program	5/29/2014	
15.235	SNPLMA Round 14 PTNA Approved Project	Department of the Interior-	L14AS00081	Local governments	6/20/2014	

	Implementation	Bureau of Land Management				
15.238	BLM CA Challenge Cost Share Program Cooperative Ecosystem Studies Units California State University Chico Cultural Resources Recordation	Bureau of Land Management	L14AS00080	IHEs	5/23/2014	
15.509	Basin States Salinity Program	Bureau of Reclamation	R14SS40005	State governments	5/5/2014	
15.517	Fish Habitat Improvement Projects Coordination and Development	Bureau of Reclamation	R14AS00043	Special district governments	5/7/2014	
15.650	Recovery activities for the Karner Blue Butterfly (KBB) in Concord, NH	Fish and Wildlife Service	F14AS00168	Unrestricted	5/23/2014	
15.666	Wolf-Livestock Demonstration Project Grant Program (WLDPGP)	Fish and Wildlife Service	F14AS00136	State governments	6/13/2014	X
15.669	California Landscape Conservation Cooperative	Fish and Wildlife Service	F14AS00165	Unrestricted	5/12/2014	
15.677	Removal of Centreville Dam, Centreville, MD: Hurricane Sandy Disaster Relief, DOI Proj MD089	Fish and Wildlife Service	F14AS00166	Unrestricted	5/24/2014	
15.808	Cooperative Ecosystem Studies Unit, Piedmont-South Atlantic Coast	Geological Survey	G14AS00063	Participating partners of the Piedmont-South Atlantic Coast Cooperative Ecosystem Studies Unit (CESU) Program	4/30/2014	
16.582	OVC FY 14 Sexual Assault Response Team Toolkit 2.0	Department of Justice-Office for Victims of Crime	OVC-2014-3918	IHEs	6/9/2014	
16.582	OVC FY 14 Service, Support & Justice: A Strategy to Enhance Law Enforcement Response to Victims Demonstration Project	Office for Victims of Crime	OVC-2014-3902	State and local governments	6/9/2014	
16.589	OVW FY 2014 Violence Against Women Bakken Region Initiative: Tribal Special Assistant U.S. Attorney	Office on Violence Against Women	OVW-2014-3893	Invitation only	5/28/2014	
16.589	OVW FY 2014 Violence Against Women Bakken Region Initiative: Enhanced Response to Victims	Office on Violence Against Women	OVW-2014-3892	Invitation only	5/28/2014	
16.826	OVC FY 14 Vision 21 Victim Legal Assistance Networks	Office for Victims of Crime	OVC-2014-3914	State governments	6/9/2014	
19.011	FY 2014 Timor-Leste and South Pacific Scholarship Programs	Department of State-Bureau Of Educational	ECA-ECAAE-14-019	IHEs	6/6/2014	X

		and Cultural Affairs				
19.408	FY 2015 Teacher Exchange Program	Bureau Of Educational and Cultural Affairs	ECA-ECAAS-15-001	IHEs	6/19/2014	X
20.617	Promoting Innovation in Emergency Medical Services	Department of transportation-National Highway Traffic Safety Administration	DTNH22-14-R-00029	Unrestricted	6/6/2014	
43.001	Technology Advancing Partnerships Challenge at Kennedy Space Center	NASA-Kennedy Space Center	NNK14AA01A	Unrestricted	5/9/2014	X
47.041	Decision Frameworks for Multi-Hazard Resilient and Sustainable Buildings	National Science Foundation	14-557	IHEs	7/24/2014	
47.041+	EPSCoR Research Infrastructure Improvement Program Track-1	National Science Foundation	14-558	Specified jurisdictions	8/5/2014	X
47.074	Opportunities for Promoting Understanding through Synthesis	National Science Foundation	14-559	Unrestricted	8/1/2014	
59.061	STEP Grant Program, FY2014	Small Business Administration	OIT-STEP-2014-01	State governments	5/20/2014	X
81.086	Strategies to Increase Residential Energy Code Compliance Rates and Measure Results	Department of Energy-Golden Field Office	DE-FOA-0000953	State and local governments, IHEs	4/28/2014	X
81.087	Marine and Hydrokinetic (MHK) Demonstrations at the Navy's Wave Energy Test Site (WETS)	Golden Field Office	DE-FOA-0001081	Unrestricted	6/11/2014	X
81.087	RFI: Hydrogen Contamination Detectors	Golden Field Office	DE-FOA-0001116	Unrestricted	5/19/2014	
84.103	Office of Postsecondary Education (OPE):Training Program	Department of Education	ED-GRANTS-042314-003	IHEs and other public institutions/ organizations	5/23/2014	
84.325	Personnel Development to Improve Services and Results for Children with Disabilities: Leadership Consortia in Sensory Disabilities and Disabilities Associated with Intensive Service Needs	Department of Education	ED-GRANTS-042114-001	State and local governments, IHEs	6/5/2014	
84.411	Investing in Innovation Fund (I3): Scale-up Grants	Department of Education	ED-GRANTS-042314-001	LEAs, one or more LEAs, a consortium of schools	6/24/2014	
84.411	Investing in Innovation (I3): Validation Grants	Department of Education	ED-GRANTS-042314-002	LEAs, one or more LEAs, a consortium of schools	6/24/2014	
84.418	Promoting the Readiness of Minors in Supplemental Security Income (PROMISE) Technical Assistance Center	Department of Education	ED-GRANTS-042114-002	State and local governments, IHEs	6/5/2014	

93.047	Native American Elder Justice Initiative	Department of Health and Human Services-Administration for Community Living	HHS-2014-ACL-AOA-IE-0081	IHEs	6/2/2014	X
93.048	National Volunteer Resource Center	Administration for Community Living	HHS-2014-ACL-AOA-CC-0068	State and local governments, IHEs	6/3/2014	X
93.051	Alzheimer's Disease Supportive Services Program: Dementia Capability for Persons with Alzheimer's Disease and Related Dementias	Administration for Community Living	HHS-2014-ACL-AOA-DS-0079	State governments	6/11/2014	X
93.110	Alliance for Innovation on Maternal Health: Improving Maternal Health and Safety	Health Resources & Services Administration	HRSA-14-134	Public entities	6/16/2014	
93.121	Revision Applications for NIDCR-funded Cooperative Agreements (U01)	National Institutes of Health	PAR-14-187	State and local governments, IHEs	5/7/2017	
93.121	Targeting Co-dependent Molecular Pathways in Oral Cancer (U01)	National Institutes of Health	RFA-DE-15-004	State and local governments, IHEs	8/25/2014	
93.135	Health Promotion and Disease Prevention Research Centers: Special Interest Project Competitive Supplements (SIPs)	Centers for Disease Control and Prevention	RFA-DP-14-011	Applicants funded as PRCs under CDC Program Announcement DP-14-011	5/5/2014	
93.137	HIV/AIDS Initiative for Minority Men (AIMM)	Office of the Assistant Secretary for Health	MP-CPI-14-002	State and local governments, IHEs	6/9/2014	
93.172	Genomic Resource Grants for Community Resource Projects (U41)	National Institutes of Health	PAR-14-191	State governments, IHEs	1/25/2017	
93.185	Immunization Information Systems (IIS) Capacity Building	Centers for Disease Control and Prevention	CDC-RFA-IP12-120103CONT14	Continuation of funds for grantees previously awarded under FOA Number: IP12-1201	5/30/2014	
93.243	Minority AIDS Initiative Continuum of Care Pilot - Integration of HIV Prevention and Medical Care into Mental Health and Substance Abuse Treatment Programs for Racial/Ethnic Minority Populations at High Risk for Behavioral Health Disorders and HIV	Substance Abuse & Mental Health Services Adminis.	TI-14-013	Public entities (including IHEs)	6/4/2014	
93.243	Cooperative Agreement for Workforce Development in Vietnam: HIV-Addiction Technology Transfer Center (Short Title: Vietnam H-ATTC)	Substance Abuse & Mental Health Services Adminis.	TI-14-012	State and local governments, IHEs	6/13/2014	

93.262	National Center of Excellence for the Prevention of Childhood Agricultural Injury	Centers for Disease Control and Prevention	RFA-OH-14-005	State and local governments, IHEs	5/2/2014	
93.262	Agricultural, Forestry and Fishing Safety and Health Research	Centers for Disease Control and Prevention	PAR-14-175	State and local governments, IHEs	10/31/2014	
93.262	Workers Compensation Surveillance	Centers for Disease Control and Prevention	RFA-OH-14-007	State and local governments, IHEs	8/29/2014	
93.262	Agricultural, Forestry and Fishing Safety and Health Research	Centers for Disease Control and Prevention	RFA-OH-14-006	State and local governments, IHEs	6/9/2014	
93.273	Epidemiology and Prevention in Alcohol Research (R01)	National Institutes of Health	PA-14-190	State and local governments, IHEs	9/7/2017	
93.273	Epidemiology and Prevention in Alcohol Research (R21)	National Institutes of Health	PA-14-188	State and local governments, IHEs	9/7/2017	
93.273	Epidemiology and Prevention in Alcohol Research (R03)	National Institutes of Health	PA-14-189	State and local governments, IHEs	9/7/2017	
93.279	NIDA Core Center of Excellence Grant Program (P30)	National Institutes of Health	PAR-14-186	State and local governments, IHEs	1/7/2017	
93.283	Partner and Implement Public Health Strategies Related to Alzheimer's Disease, Cognitive Impairment and Cognitive Health	Centers for Disease Control and Prevention	CDC-RFA-DP10-100305CONT14	Continuation of funds and supplemental funds for grantees previously awarded under: CDC-RFA-DP10-1003	4/30/2014	
93.365	Sickle Cell Disease Treatment Demonstration Program Regional Collaborative	Health Resources & Services Administration	HRSA-14-078	Certain Federally-qualified health centers and university health centers	5/27/2014	
93.573	Refugee School Impact	Administration for Children and Families - ORR	HHS-2014-ACF-ORR-ZE-0789	State governments	6/9/2014	
93.670	National Center for Legal and Judicial Excellence in Child Welfare	Administration for Children and Families - ACYF/CB	HHS-2014-ACF-ACYF-CZ-0807	State and local governments, IHEs	6/23/2014	
93.846	Exploratory Clinical Trial Grants in Arthritis and Musculoskeletal and Skin Diseases (R21)	National Institutes of Health	PAR-14-192	State and local governments, IHEs	3/1/2017	
93.847	Accelerating Medicines Partnership (AMP) in Type 2 Diabetes (U01)	National Institutes of Health	RFA-DK-14-003	State and local governments, IHEs	7/18/2014	
93.847	Limited Competition for the Data Coordinating Center of Accelerating Medicines Partnership (AMP) in Type 2 Diabetes (U01)	National Institutes of Health	RFA-DK-14-503	Current awardee serving as the Data Coordinating Center of Multiethnic Study of Type 2 Diabetes Genes consortium (T2D-GENES)	7/18/2014	

93.853	NINDS Program Project Grant (P01)	National Institutes of Health	PAR-14-183	State and local governments, IHEs	5/7/2017	
93.859	Limited Competition: Centers of Biomedical Research Excellence (COBRE) Phase III - Transitional Centers (P30)	National Institutes of Health	PAR-14-178	State and local governments, IHEs	5/26/2016	
93.859	Enabling Resources for Pharmacogenomics (R24)	National Institutes of Health	PAR-14-185	State and local governments, IHEs	9/25/2016	
93.867	NEI Audacious Goal Initiative: Addressing Technical Needs and Opportunities for Imaging the Visual System (U01)	National Institutes of Health	RFA-EY-14-001	State and local governments, IHEs	8/14/2014	
93.113+	NIH Research Evaluation and Commercialization Hub (REACH) Awards (U01)	National Institutes of Health	RFA-OD-14-005	IHEs	6/26/2014	
93.113+	Revisions to Add Biomedical Big Data Training to Active Institutional Training Grants (T32)	National Institutes of Health	RFA-HG-14-005	IHEs	7/28/2016	
93.855+	Global Infectious Disease Research Training Program (D43)	National Institutes of Health	PAR-14-193	IHEs	7/29/2016	
93.113+	Predoctoral Training in Biomedical Big Data Science (T32)	National Institutes of Health	RFA-HG-14-004	IHEs	7/27/2015	
93.172+	Revisions to Add Biomedical Big Data Training to Active NLM Institutional Training Grants in Biomedical Informatics (T15)	National Institutes of Health	RFA-HG-14-006	IHEs	7/28/2016	
93.242+	National Cooperative Drug Discovery/Development Groups (NCDDG) for the Treatment of Mental Disorders, Drug or Alcohol Addiction (U01)	National Institutes of Health	PAR-14-184	State and local governments, IHEs	2/23/2017	
98.001	Emerging Pandemic Threats Program 2, PREDICT-2	US Agency for International Development	RFA-OAA-14-000019	Unrestricted	6/5/2014	X
98.001	USAID's/Bangladesh Counter Trafficking-in-person (BC/TIP) program	Bangladesh USAID-Dhaka	RFA-388-14-000002	Unrestricted	5/27/2014	X
Intent to Award				**Recipient**		
15.945	Notice of Intent to Award: Post-Hurricane Sandy Submerged Marine Habitat Mapping, Fire Island National Seashore	National Park Service	NPS-14-NERO-0014	University of Rhode Island	4/29/2014	
15.945	National Park Service-Plant Species Response to Climate Change	National Park Service	NPS-NOIP14AC00398	University of Arizona	4/28/2014	

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