



NATIONAL CONFERENCE OF STATE LEGISLATURES

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CONSENT CALENDAR

BANKING, FINANCIAL SERVICES AND INSURANCE AND TECHNOLOGY AND COMMUNICATIONS

ARTIFICIAL INTELLIGENCE IN FINANCIAL SERVICES

BANKING, FINANCIAL SERVICES AND INSURANCE

BANKING AND FINANCIAL SERVICES

FRAUD AND SCAMS PREVENTION

BUDGETS AND REVENUE

PUBLIC PENSIONS, HEALTH INSURANCE AND POST RETIREMENT BENEFITS

STATE AND FEDERAL BUDGETING: PRINCIPLES FOR FUNDAMENTAL TAX

REFORM

STATE TAX SOVERIGNTY

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CHILD CARE

SOCIAL SERVICES AND SUPPORTS FOR FAMILIES AND INDIVIDUALS

EDUCATION

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SUCCESSFUL INMATE REENTRY INTO SOCIETY

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IMPROVING H-2A VISA POLICY TO END AGRICULTURAL LABOR SHORTAGES

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ARTIFICIAL INTELLIGENCE
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REAL ID
AUTONOMOUS VEHICLES
BEYOND VISUAL LINE OF SIGHT OPERATIONS OF UNMANNED AIRCRAFT
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SECURING NATIONAL SUPPLY CHAINS THROUGH THE COMBATING
ORGANIZED RETAIL CRIME ACT
STATE SUPPORT GRADE CROSSING ELIMINATION AND SEPARATION
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1 **COMMITTEES: BANKING, FINANCIAL SERVICES & INSURANCE**
2 **TECHNOLOGY & COMMUNICATIONS**

3 **POLICY: ARTIFICIAL INTELLIGENCE IN FINANCIAL SERVICES**

4 **TYPE: CONSENT DIRECTIVE**

5
6 **AI Transformation in Financial Services**

7 The National Conference of State Legislatures recognizes that AI is transforming and
8 impacting the field of financial services.

9 **Benefits and Risks of AI in Financial Services**

10 AI is enhancing the field by boosting efficiency, accuracy, and innovation through
11 applications such as chatbots and virtual assistants, advanced risk assessment, real-
12 time detection of suspicious transactions and consumer behavioral anomalies,
13 identification of emerging illicit activity patterns and the prediction of price movements
14 and market trends.

15 The deployment of AI in the financial sector can also create certain risks such as
16 perpetuating bias, reducing transparency and accountability, exacerbating cybersecurity
17 concerns if malicious actors can gain unauthorized access to sensitive financial
18 information and creating market instability from an overreliance on one single AI data
19 set or single base model.

20 **Federal Priorities**

21 States serve as laboratories of democracy and should have the flexibility to explore and
22 implement innovative approaches to regulating AI in financial services, including pilot
23 programs, public-private partnerships and state-specific safeguards tailored to local
24 needs. This also includes the ability of states to adopt strong cybersecurity frameworks,
25 including data encryption, multi-factor authentication and continuous monitoring, to
26 protect against threats posed by increasingly sophisticated cyberattacks.

27 Congress should prioritize investments and policies that promote the development of
28 transparent, understandable and accountable AI systems in the financial sector to
29 ensure fairness, trust and public confidence.

30 The National Conference of State Legislatures urges Congress, federal regulatory
31 agencies and the administration to keep these priorities in mind as they consider how to
32 best regulate AI's use in financial services. NCSL further encourages Congress, federal
33 agencies and the administration to consult with states as they debate and develop AI
34 legislation and regulations related to financial services, paying particular attention to
35 how any federal law or regulation will impact state laws governing AI in the financial
36 space.

37 Federal laws and regulations should support states' ability to adopt their own laws to
38 keep pace with and respond to rapid AI technological advances and to protect the
39 public's financial interests.

1 **COMMITTEE: BANKING, FINANCIAL SERVICES & INSURANCE**

2 **POLICY: BANKING AND FINANCIAL SERVICES**

3 **TYPE: CONSENT DIRECTIVE**

4 **State Sovereignty in Financial Services**

5 The National Conference of State Legislatures (NCSL) is concerned that Congress,
6 federal financial services regulators, and the federal courts have sought to nationalize
7 control of financial services in Washington, D.C. NCSL has consistently and strongly
8 advocated for state sovereignty in financial services regulation. NCSL has opposed any
9 federal preemption of state legislative or regulatory authority in financial services. A high
10 threshold that federal action is necessary, such as a national financial crisis, should be
11 met before any preemption of state financial services laws and regulations is warranted.

12 **Preservation of Dual Banking System**

13 NCSL supports the preservation of the dual banking system. The dual banking system
14 enables state governments to apply laws and regulations to state-chartered banks,
15 thrifts, and non-bank financial services, including financial technology entities and those
16 engaged in digital asset activities.

17 In recognition of the advantages of the dual banking system to the public and to the
18 health of the financial services industry, NCSL opposes any efforts by the federal
19 government to restrict state authority to charter, supervise, or regulate the powers of
20 state-chartered banks, thrifts, and non-bank financial services, including financial
21 technology entities and those engaged in digital asset activities. NCSL also opposes
22 any effort by federal banking regulators to assert regulatory authority to weaken the
23 standard of preemption or shield national banks and bank operating subsidiaries from
24 state consumer protection laws and enforcement.

25 NCSL opposes any federal attempts to tax state banks for federal oversight services
26 already performed by the appropriate state banking agencies and departments. NCSL

27 recognizes that the states have a duty to use their powers responsibly and in a way that
28 does not endanger the deposit insurance system and the nation's financial stability.

29 **Federal Regulatory Consolidation**

30 NCSL recognizes the need for the federal government to reduce the federal regulatory
31 burden that can impede the economic vitality of our nation's financial services
32 industries. In consolidating the federal banking regulators, Congress must ensure that
33 any consolidation does not invalidate the regulatory independence of the dual banking
34 system.

35 NCSL opposes any federal regulatory consolidation plan that would:

- 36 • Preempt, limit, or interfere with the rights of states to regulate state-chartered
37 banks, thrifts, and non-bank financial services, including financial technology
38 entities and those engaged in digital asset activities;
- 39 • Require federal reporting requirements and examinations that duplicate state
40 efforts;
- 41 • Place state-chartered banks, thrifts, and non-bank financial services, including
42 financial technology entities, at a competitive disadvantage with national banks or
43 federal thrifts; and
- 44 • Grant oversight authority for state-chartered banks, thrifts, and non-bank financial
45 services, including financial technology entities and those engaged in digital
46 asset activities, to federal banking regulators.

47 **Dual Chartering of Credit Unions**

48 State credit union supervisors have the primary responsibility for assuring the safety
49 and soundness of credit unions chartered by and operating under state law and
50 regulation. NCSL supports the authority of state governments to determine how state-
51 chartered financial entities must be insured and opposes any efforts by the federal
52 government to preempt state authority to govern state deposit insurance requirements.

53 National Credit Union Administration regulations and policies should minimize the
54 preemption of state authority. NCSL opposes any effort by the Administration and
55 Congress to erode the dual chartering system for credit unions by preempting state
56 credit union laws and regulations unless those laws clearly harm the financial health of
57 state-chartered credit unions and put the National Credit Union State Insurance Fund at
58 real risk.

59 **Consumer Protection**

60 There are both state and federal consumer protection laws, reflecting overlapping
61 jurisdiction that are essential to ensuring the safety, fairness and accessibility of
62 financial services. This dual framework helps:

- 63 • Ensure consumer access to basic financial services.
- 64 • Protect the privacy and security of consumers' personal financial information.
- 65 • Guard against financial fraud, identity theft and other deceptive or abusive
66 practices.
- 67 • Provide protections from predatory or abusive lending.
- 68 • Ensure clear and consistent disclosure of credit terms, interest rates, fees and
69 account balances.
- 70 • Regulate branch closures and the continuity of access to financial institutions.
- 71 • Respond to emerging risks and protect the public in a rapidly evolving
72 financial services landscape.

73 In recognition that consumer protection is an area of shared federal and state
74 responsibility, NCSL will generally not oppose federal consumer protection measures,
75 so long as they are limited to areas of concern that are not readily addressable at the
76 state level, such as international fraud enforcement, do not preempt state laws, and are
77 appropriately tailored for the size and risk of any state-chartered institutions that are
78 required to comply with the measures. State legislatures must retain their role as the
79 primary regulator of state-chartered institutions and the ability to enact and enforce
80 safeguards tailored to the specific needs of their residents, particularly in areas like

81 fraud prevention and digital financial services where risks can vary significantly across
82 jurisdictions.

83 **Financial Services and Economic Development**

84 NCSL recognizes that racial, ethnic, or gender discrimination by financial services
85 entities may have an impact on the ability of residents in distressed communities to
86 obtain financial assistance. NCSL also recognizes the need for financial institutions to
87 make safe, sound, and profitable investments. States are uniquely positioned to balance
88 these varied interests. Congress must not mandate federal guidelines that impede the
89 states' abilities to regulate financial services.

90 **Financial Technology**

91 State banking regulators should maintain primary responsibility for chartering and
92 supervising financial technology companies that operate in their state. States have
93 implemented the Nationwide Multistate Licensing System to make the licensing and
94 registration process more uniform and efficient for companies across the country while
95 still providing rigorous protections to consumers. States have also created standards to
96 protect the data privacy of citizens and reduce discrimination in financial services while
97 encouraging innovation. Regulatory sandboxes are often utilized by states to encourage
98 new technologies and innovation without prohibitive government regulation so that
99 states can determine the best regulatory framework for the new technology. These
100 unique solutions should not be infringed upon so that states can continue to inspire
101 innovation while protecting the public.

102 NCSL opposes any efforts by Congress or federal regulators to preempt state banking
103 authority over financial technology companies in ways that would diminish the consumer
104 protections states provide to their residents.

105 **Digital Assets**

106 States are regulating digital assets in a variety of ways to protect consumers, ensure
107 financial stability, prevent illicit activity, encourage innovation and maintain oversight of

108 new technologies. To achieve those ends and consistent with the dual banking system,
109 NCSL supports state authority over cryptocurrency exchanges, wallet providers and
110 other digital asset service providers operating within their jurisdictions in the following
111 areas:

- 112 • Licensing and registration.
- 113 • Compliance oversight.
- 114 • Consumer protection standards such as disclosure requirements, antifraud
115 measures, privacy protections and the right to redress.
- 116 • Custody.
- 117 • Mining.
- 118 • Financial inclusion and innovation.
- 119 • Taxation.
- 120 • Anti-money laundering and know your customer rules; and
- 121 • Investment decisions.

122 In the case of both financial technology and digital asset companies, NCSL opposes
123 any efforts by Congress, federal regulators or the administration to preempt the long-
124 standing rights of states to determine which entities may lawfully operate within their
125 jurisdictions or to diminish the consumer protections states provide to their residents.

126 **Securities Regulation**

127 NCSL recognizes that the federal government has an interest in efficient and fair capital
128 markets. NCSL also acknowledges that states' securities agencies are indispensable
129 partners with their federal counterparts engaging in the pursuit of fair and efficient
130 capital markets by protecting local investors, workers, and communities by ensuring
131 compliance with securities laws.

132 NCSL is concerned that the preemption of state securities laws and regulations will
133 serve only to erode investor trust in the capital markets by further weakening a system
134 designed to protect investors and putting the financial well-being of hard-working
135 Americans at risk. NCSL opposes such federal preemption and the creation of self-

136 regulatory organizations that usurp state authority. Instead, NCSL supports
137 congressional efforts to expand the restoration of state securities regulators' authority.

138 **Mortgage Industry**

139 Currently, states regulate a significant portion of mortgage lending. Federal intervention
140 in this area of supervision will displace the state regulatory system and could erode, or
141 even eliminate, the current authority the states have to supervise and license mortgage
142 professionals. The local nature of real estate and consumer protection necessitates
143 direct state authority.

144 States, through the Conference of State Bank Supervisors (CSBS) and the American
145 Association of Mortgage Regulators (AARMR), developed the Nationwide Multistate
146 Licensing System (NMLS) to improve and coordinate mortgage supervision. This state
147 system enhances consumer protection and streamlines the licensing process for
148 regulators and industry. NCSL supports the NMLS to encourage a more coordinated
149 system of state and federal supervision.

150 **Financial Information Security**

151 NCSL believes that states should continue to play a vital role in protecting the privacy,
152 confidentiality and security of sensitive nonpublic personal financial information. States
153 long have sought to balance the economic value of information sharing with reasonable
154 safeguards against the unnecessary disclosure and inappropriate acquisition of
155 sensitive nonpublic personal financial information, such as credit information, account
156 numbers, account balances, and Social Security numbers. Understanding local and
157 regional economic situations and the unique needs of consumers within these markets,
158 states consistently have ensured the protection of sensitive nonpublic personal financial
159 information.

160 NCSL recognizes that financial information security is an area of overlapping federal
161 and state jurisdiction. Therefore, NCSL does not oppose federal baseline standards for
162 the protection of financial information, provided that these standards generally do not
163 preempt state laws. NCSL believes that states should have the authority and flexibility

164 to adopt standards for acquisition, retention, disclosure, and sharing of financial
165 information by and among financial institutions and nonaffiliated third parties that
166 address local concerns or respond in a timely way to incidences of neglect or abuse that
167 may be local or regional in nature. NCSL specifically believes that Congress should
168 preserve state authority to exceed federal baseline standards for information sharing
169 among nonaffiliated third parties.

170 **Credit Reporting**

171 NCSL acknowledges the benefit to the nation's economy of a uniform national credit
172 reporting system and does not oppose the preemption of state law in limited areas, but
173 preemption of state law relating to the prescreening of consumer reports under the Fair
174 Credit Reporting Act has prevented states from curtailing misleading and abusive
175 practices that result from the selling of consumer information. NCSL urges Congress to
176 take action to amend the Fair Credit Reporting Act to restore the ability of states to fight
177 misleading and abusive practices that threaten the financial privacy and security of state
178 residents.

179 **Data Security Breach Disclosure**

180 Consistent with NCSL's general policy for safeguarding financial information, NCSL
181 does not oppose baseline federal data security breach notification standards, provided
182 that the requirements do not preempt state authority to adopt standards that provide
183 affected consumers additional protection and notification. NCSL also supports allowing
184 state financial regulators and attorneys general to enforce any new federal data security
185 breach notification standards.

186 In the event that Congress decides to preempt state law, NCSL urges that the
187 preemption be narrowly construed to preempt only state laws that are inconsistent with
188 the federal standard while preserving state laws that apply to entities that may be
189 excluded from the federal act. Additionally, should Congress decide to preempt state
190 data security breach notification laws, NCSL would support a strong federal law that
191 would require notification of the affected consumers when sensitive personally

192 identifiable information has been, or is reasonably believed to have been, accessed or
193 acquired.

1 **COMMITTEE: BANKING, FINANCIAL SERVICES & INSURANCE**

2 **POLICY: FRAUD AND SCAMS PREVENTION**

3 **TYPE: CONSENT DIRECTIVE**
4

5 **Scale of Consumer Fraud**

6 Federal Trade Commission data shows that 2.6 million consumers filed fraud reports
7 and that consumers lost more than \$12.5 billion to fraud in 2024. The most reported
8 schemes were impostor scams; online shopping scams; scams involving prizes,
9 sweepstakes and lotteries; investment scams; and business and job opportunity scams.
10 Consumers lost more money to investment scams and imposter scams in 2024 than
11 any other category and the biggest losses were through bank transfers and
12 cryptocurrency.

13
14 Fraud and scams are becoming more prevalent online. In addition to robocalls and
15 spoofing, digital tools such as emails, text messaging, and social media are making it
16 easier than ever to target hard-working Americans. The emergence of artificial
17 intelligence technologies has significantly amplified the sophistication and reach of fraud
18 and scams, enabling scammers to create more convincing fake identities, deepfake
19 videos and personalized phishing attacks that are increasingly difficult for consumers to
20 detect.

21 22 **Disproportionate Impact on Older Adults and Veterans**

23 While a smaller percentage of older people report being victims of scams than younger
24 people, they tend to lose far more money to these crimes. Fraud victims in their 70s lost
25 a median of \$994. Fraud victims in their 80s lost a median of \$1,900 while those in their
26 20s lost about \$338. Veterans are victims of scams and fraud more often than the
27 general public because of their hard-earned benefits and resources, as well as their
28 general good will. According to data from the FTC, there were close to 93,000 military
29 reports of fraud with a median reported loss of about \$700 in 2024.
30

31 **Collaborative Efforts to Combat Fraud and Scams**

32 Fraud in all forms is a crime, and policymakers should encourage reporting of fraudulent
33 acts to law enforcement. The National Conference of State Legislatures urges the
34 federal government to work with state and local governments, law enforcement and
35 private industry to develop policies and practices that prevent, curtail and stop fraud,
36 including fraud that originates in another country or that is of an unknown origin, and,
37 where possible, provide victims of fraud some options for relief and recovery. State-level
38 enforcement of fraud crimes that originate in another country or that are of an unknown
39 origin is often infeasible or impossible. Congress, federal agencies and the
40 administration should take an active role in investigating these fraud reports and in
41 seeking relief and recovery for the victims. Congress should also support and not
42 preempt states' ability to adopt their own laws to curtail and stop fraud and scams in the
43 best interests of their residents.

1 **COMMITTEE: BUDGETS AND REVENUE**

2 **POLICY: PUBLIC PENSIONS, HEALTH INSURANCE AND POST**
3 **RETIREMENT BENEFITS**

4 **TYPE: CONSENT DIRECTIVE**

5 State legislatures authorize and fund public employee pension plans and determine
6 their regulation and oversight. With these plans, state and local governments provide
7 retirement savings vehicles and security to virtually all full-time state and local
8 employees. Any federal regulation of state and local government pension plans should
9 recognize the unique designs and protections inherent in these plans and should only
10 be pursued through consultation with state and local governments. Current federal
11 regulations that impose excessive and unnecessary administrative costs on states and
12 localities should be simplified or eliminated.

13 **Federal Reductions to Social Security Benefits**

14 Under some circumstances, the Social Security Administration reduces benefits to state
15 and local employees who earn government pensions through work not covered by
16 Social Security. Since 1983, the Social Security Administration has reduced worker and
17 spousal benefits through two provisions called the Government Pension Offset (GPO)
18 and the Windfall Elimination Provision (WEP). There have been numerous proposals
19 before Congress to repeal or to limit the application of the GPO and the WEP. The
20 National Conference of State Legislatures supports efforts by Congress and the
21 Administration to address the inequities and unintended consequences to state and
22 local government retirees caused by federal reductions of Social Security benefits.
23 NCSL urges Congress to enact legislation that will reduce or eliminate the impact of the
24 GPO and WEP on state and local government retirees, particularly those who have
25 earned lower uncovered government pension benefits or partial benefits.

26 **Mandatory Medicare and Social Security Coverage**

27 The National Conference of State Legislatures opposes expansion of mandatory Social
28 Security and Medicare Coverage to public employees of state and local governments
29 who are not already covered. NCSL believes that state and local governments should
30 be allowed to affiliate their plans with Social Security and Medicare on a voluntary basis.

31 **Taxation and Regulation**

32 NCSL believes that the exemption of state pension and benefits plans from federal
33 taxation is a sound component of federal tax policy that should continue.

34 All states and many local governments sponsor defined contribution plans that
35 allows employees to defer an additional portion of their salary in anticipation of
36 retirement needs. Federal legislation enacted in 2001 simplified participation in, and the
37 administration of, these supplemental arrangements. NCSL supports further
38 improvements that enhance flexibility, improve existing arrangements, avoid increased
39 federal regulation, maintain or expand the plans' unique features and characteristics
40 and avoid mandates that would replace existing plans with methods designed for the
41 private sector. NCSL opposes any federal encroachment on state authority to regulate
42 state pensions that would supplant rather than supplement current savings, and other
43 efforts that could result in additional cost and complexity for state and local
44 governments and their plan participants.

45 **Reporting Requirements**

46 NCSL strongly opposes any effort by Congress to impose annual federal reporting and
47 funding requirements on state and local governments regarding various aspects of their
48 public employee pension plans and penalties for non-compliance, such as loss of
49 federal tax exempt financing benefits for bonds issued by state or local governments
50 during any noncompliance reporting period.

51 NCSL believes these actions would be unnecessary, intrusive and coercive. This
52 federal effort would impose new, unfunded costs on states by requiring additional
53 reports and compels the presence of the federal government in issues exclusively

54 managed and legislated by states. States report comprehensive information in proposed
55 federal legislation in their consolidated annual financial reports as recommended by the
56 Governmental Accounting Standards Board.

57 **Health Care Costs**

58 The National Conference of State Legislatures (NCSL) supports federal efforts that
59 allow public sector retirees to deduct health care premium costs and/or additional
60 medical expenses from their taxable income, as well as federal efforts to allow retirees
61 to save for health care costs through tax preferred vehicles.

1 **COMMITTEE: BUDGETS AND REVENUE**

2 **POLICY: STATE AND FEDERAL BUDGETING: PRINCIPLES**
3 **FOR FUNDAMENTAL TAX REFORM**

4 **TYPE: CONCENT DIRECTIVE**

5 It is the policy of the National Conference of State Legislatures to advance and defend a
6 balanced, dynamic partnership among local, state and federal governments.

7 Tax reform efforts and tax actions at the federal level affect states because:

- 8 • Federal and state tax systems are inextricably linked;
- 9 • Federal programs rely on state participation for implementation; and
- 10 • Any federal reform will likely have serious fiscal and administrative ramifications
11 on the states.

12 Therefore, NCSL urges that all federal tax reform and other actions be guided by the
13 following principles:

14 **General**

- 15 • Preserve the fiscal viability and sovereignty of state governments.
- 16 • Encourage work, savings, equity and simplicity.
- 17 • Promote efficiency and predictability.
- 18 • Avoid intrusion upon the state excise tax base.
- 19 • Preserve states' ability and discretion to tax certain revenue sources.
- 20 • Preserve the ability of state and local governments to adopt fair and effective tax
21 systems. This includes authorizing states with sales and use taxes to require
22 interstate sellers to collect and remit those taxes.
- 23 • Setting the full state and local income tax, sales tax and property tax deductions,
24 commonly referred to as the SALT Cap, for federal income tax purposes to a
25 reasonable and fair amount, while preserving the ability of state governments to
26 utilize pass through entities as a viable option to allow business owners to be
27 able to deduct state taxes paid over the cap.

- 28 • Continue tax policies that reward work, specifically the Earned Income Tax Credit
29 (EITC) and Individual Development Accounts (IDAs).
- 30 • Encourage the use of smart federal tax policy to promote economic growth and
31 business-friendly climates.
- 32 • Encourage the preservation of federal tax policy that provides support to lower
33 income and working families, such as a generous standard deduction rate
34 proportionate with itemized deduction incentives.

35 **Transition**

- 36 • Provide states with adequate transition time to implement and respond to new
37 tax systems, preferably up to three or more years.
- 38 • Avoid the negative state impact of retroactive application of tax changes.
- 39 • Provide technical expertise to states to ease any transition of administrative
40 responsibilities to the states resulting from federal tax reform.
- 41 • Provide adequate federal administrative funds for any federal tax reform that
42 involves modified or increased collection responsibilities for the states.
- 43 • Ensure that federal tax changes are made in a manner that preserves federal
44 data collection used by the states.

45 **Do No Harm**

- 46 • Provide flexibility and strengthen states' ability to finance and administer
47 programs for which they are traditionally responsible or have gained through
48 devolution.
- 49 • Recognize that federal tax reductions should not compromise funding for existing
50 and future commitments to mandated state-federal partnership programs.
- 51 • As imposition of sales, consumption or value added taxes is historically a state
52 prerogative, oppose the imposition of any such tax on a federal level.

53 **Tax-Exempt Financing/Bonds**

- 54 • Preserve tax-exempt financing for infrastructure and capital projects, including
55 the use of public-private partnerships.
- 56 • Maintain the tax-exempt status of state and local government bonds and lift
57 existing restrictions on state and local government use of tax-exempt bonds.
- 58 • Avoid provisions that weaken the fiscal integrity of state and local governments.
59 This includes: the arbitrage rebate provisions, which essentially are a one-
60 hundred percent tax on the interest income of state and local governments; the
61 alternative minimum tax, which now taxes interest from otherwise tax-exempt
62 bonds; volume caps, which have unduly restricted the use of bonds for projects
63 that have increasingly become governmental responsibilities; and restrictions on
64 advance refunding which increases the cost of government.
- 65 • Support the Mortgage Revenue Bond (MRB) program and the low-income
66 housing tax credit.

67 **Enforcement**

- 68 • Increase enforcement efforts of the federal income tax laws so individual and
69 business taxpayers are not bearing the burden of those who fail to pay owed
70 taxes.
- 71 • Continue to take into account states' reliance on federal tax rates and federal
72 collection efforts.

73 **Payment in Lieu of Taxes**

74 The National Conference of State Legislatures supports federal efforts to:

- 75 • Continue, but reform the Payment in Lieu of Tax Program (PILT) program; to
76 create a more predictable, fair and flexible system that accurately reflects the
77 fiscal effects of federal lands on state and local governments.
- 78 • Provide full funding for the PILT program, provided that this goal is accomplished
79 in a manner consistent with long-term federal debt management and deficit
80 reduction; and

- 81 • Provide a more flexible payment system through authorization for the transfer of
82 land of equivalent value from the federal government to states or counties in lieu
83 of monetary payment, consistent with state statutes, and practice.

84 **State Legislators' Tax Issues**

85 The National Conference of State Legislatures supports the standard deduction allowed
86 state legislators under section 162 (h) of the Internal Revenue Code. Regulation,
87 interpretation, or other statutes should not undermine the section. Regulations
88 implementing this code section should reflect the intent of Congress and should include
89 the following recommendations:

- 90 • A "session day" should mean a day in session as defined by the laws or rules of
91 the state of residence of the legislator.
- 92 • A "committee" of the legislature should mean 1) a committee of one or more
93 legislators conducting the business of [or reporting to] the legislature, or 2) a
94 committee created by state or federal statute, resolution, order or rule on which
95 the legislator serves in his or her capacity as a legislator. This definition of
96 "committee" should include caucuses that conduct the business of the
97 legislature.
- 98 • "State legislator" should include newly-elected legislators who attend official
99 organizational meetings prior to administration of their oath of office.

100 **Other**

- 101 • Prohibit further preemption of state courts by refusing to give federal courts
102 jurisdiction to establish the valuation of property for state and local tax purposes
103 or by refusing to give selected classes of state and local taxpayers procedural
104 and substantive privileges unavailable to most taxpayers.
- 105 • NCSL also encourages Congress and the administration to review the Railroad
106 Revitalization and Regulatory Reform Act (4-R Act) to determine if the courts
107 have expanded the 4-R Act beyond the original intent of Congress and reject
108 federal legislation that would extend to other industries 4-R type benefits.

- 109 • NCSL requests the federal government to respect the sovereignty of states to
110 allow or prohibit games of chance or skill. Any effort by Congress or the
111 administration to reform this regulation preempts states and diminishes the
112 flexibility of state legislatures to use this mechanism as a revenue-related tool to
113 meet the unique needs of residents of each state.
- 114 • To address the evolution of remote work and its impact on state budgets, any
115 comprehensive federal tax policy shall allow state legislatures to collect tax
116 revenue without providing an unnecessary burden on states, taxpayers and
117 businesses.
- 118 • NCSL urges the adoption of legislation under Title II of the Tax Relief for
119 American Families and Workers Act of 2024, including the policies that support
120 research and development for section 174, bonus depreciation for section 179
121 and Pass-Through Business Deduction under section 199A, and allowing
122 depreciation, amortization or depletion expense to be excluded from the
123 calculation of adjusted taxable income in determining the interest expense
124 limitation under 163(j).

1 **COMMITTEE: BUDGETS AND REVENUE**

2 **POLICY: STATE TAX SOVERIGNTY**

3 **TYPE: CONSENT RESOLUTION**
4

5 **WHEREAS**, the National Conference of State Legislatures is committed to preserving
6 the authority of state legislatures to regulate and respond to the needs of their residents;
7 and

8 **WHEREAS**, state legislatures serve as laboratories of democracy and are best
9 positioned to craft policies that reflect local values, priorities, and conditions; and

10 **WHEREAS**, the National Conference of State Legislatures supports the right of states
11 to create and enforce their own fiscal policy and tax laws; and

12 **WHEREAS**, states depend on fair and modern tax systems to fund important public
13 services; and

14 **WHEREAS**, some federal tax laws were created for a time when most business was
15 done locally and in person, not online and across distances; and

16 **WHEREAS**, oftentimes, these federal tax laws have since been defined through court
17 cases and multistate cooperation reflecting today's modern economy and providing
18 commonality and broad understanding for state governments and commercial actors
19 alike; and

20 **WHEREAS**, these older, yet defined laws, are now being looked at, by possibly
21 expanding existing exemption language, to prevent states from taxing businesses that
22 have no physical presence in the state but still generate revenue from activities within
23 the state, especially through digital products, services, websites, or data collection; and

24 **WHEREAS**, this limits states' ability to fairly tax all businesses and may put local
25 businesses at a disadvantage; and

26 **WHEREAS**, such interpretations weaken the role of states and limit their ability to
27 respond to today's economy;

28 **NOW, THEREFORE, BE IT RESOLVED**, that the National Conference of State
29 Legislatures opposes any federal policy or interpretation that stops states from taxing
30 businesses that have a strong economic or digital connection to the state; and

31 **BE IT FURTHER RESOLVED**, that NCSL urges Congress and federal agencies not to
32 expand outdated limits on state tax authority, including refraining from creating new
33 exemptions or refining established definitions and to respect the rights of states to
34 manage their own tax systems.

1 **COMMITTEE: CHILDREN, FAMILIES, AND HUMAN SERVICES**

2 **POLICY: CHILD CARE**

3 **TYPE: CONSENT**

4 NCSL urges Congress to continue its support of state initiatives to offer high-quality and
5 safe child care. In partnership, state and federal governments can address the wide
6 spectrum of needs for child care offered in varied delivery settings while ensuring parent
7 choice, quality and affordability.

8
9 NCSL encourages the federal government to take a holistic and cohesive approach to
10 child care and early learning across federal agencies and to take into account different
11 state governance structures for early childhood programs.

12
13 NCSL encourages the federal government to consider the needs of families in different
14 geographic areas of the country, including urban and rural areas, as well as different
15 economic situations families are facing, in any federal efforts to address the supply of
16 child care slots and providers.

17
18 NCSL encourages the federal government to consider the connections between
19 different types of child care and early learning, and the educators who provide those
20 services, in order to avoid unintended consequences of new policy within the early
21 childhood sector.

22
23 Federal options that enable states to create or allow the development of public-private
24 partnerships to strengthen the child care system should not allow federal oversight to
25 limit states' ability to best serve the child care needs of their communities.

26
27 **Supporting State Efforts to Address Access and Affordability**

28 The true cost of providing safe, high-quality child care and early learning for children
29 birth through five is higher than what many families are able to afford to pay child care

30 providers. The economics of the child care market have made child care unaffordable
31 for families across all states. NCSL acknowledges that public subsidies for child care
32 and early learning are a critical component in lowering the cost of child care. NCSL
33 supports increased federal funding for child care and early learning as a way to
34 supplement the investments states are already making.

35

36 While authority over licensing, wages, and other regulation of the child care workforce
37 are under the purview of states, NCSL encourages the federal government to financially
38 support states' efforts to increase recruitment and retention of the child care workforce
39 in order to increase the availability of child care slots and quality of care provided.

40

41 NCSL supports federal training and technical supports for existing and aspiring home-
42 and center-based child care providers to help them successfully run their businesses or
43 organizations, including by allowing non-profit providers to benefit from resources
44 offered by the Small Business Administration.

45

46 Capital costs are often a barrier to increasing the supply of child care for existing and
47 aspiring providers, and states are prohibited from using CCDBG funds for significant
48 capital projects. NCSL supports federal efforts to help states improve existing facilities
49 and build new facilities as a way to increase the availability of child care and early
50 learning slots.

51

52 As states continue to lead on innovative strategies to improve child care access and
53 affordability, NCSL supports federal efforts to incentivize and support innovation in
54 states, including through state flexibilities or funding opportunities such as the Preschool
55 Development Grants Birth to 5 (PDG B-5).

56

57 **Child Care Development Block Grant (CCDBG)**

58 NCSL supports the Child Care Development Block Grant Fund (CCDBG) program,
59 which serves as the main source of federal funding dedicated primarily to child care

60 subsidies for low-income working families and parents engaged in job training or other
61 educational opportunities.

62

63 NCSL recognizes the widespread need for child care assistance and the importance of
64 states using CCDBG funding to support the following needs:

- 65 • enabling families receiving public assistance on wait lists to gain employment,
- 66 • ensuring that former families on public assistance become economically stable,
- 67 • meeting the special needs of children with disabilities,
- 68 • providing care for infants and older children in after-school care, and
- 69 • ensuring access to care for children of parents who work traditional and non-
70 traditional hours.

71

72 NCSL supports the following program flexibility options for states:

- 73 • offering differential payment rates for providers of higher quality services or who
74 serve children with special needs;
- 75 • permitting states discretion to govern the establishment of rules on the
76 registration of unlicensed providers;
- 77 • allowing parental choice of providers within a state regulatory framework;
- 78 • permitting the inclusion of quality supply and system building activities as
79 acceptable expenditures in addition to reimbursement;
- 80 • permitting states to make child care services accessible to all individuals' subject
81 to work requirements with federal funding support; and
- 82 • providing states the option to extend the age of eligible children beyond age 13,
83 especially children with special needs, to give states more flexibility to use these
84 funds for out of school time care for older adolescents.
- 85 • allowing states to use TANF funds to support programs that serve grandparents
86 raising grandchildren.

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CCDBG Funding

NCSL urges Congress to continue its commitment to support the CCDBG which complements ongoing state efforts to provide high-quality child care services to low- and moderate-income working families. Current CCDBG funding levels limit the number of eligible families who can benefit from child care subsidies. NCSL encourages the federal government to increase funding to CCDBG to allow states to serve a larger percentage of eligible children.

NCSL opposes earmarking CCDBG increases in funding as they would reduce state flexibility, which is crucial to state innovation. The portion of unobligated CCDBG funds should remain consistent with congressional intent and leave the use of those funds to the discretion of the state for their CCDBG programs. NCSL urges the federal government to not withhold funding from states that choose to operate their programs under stricter standards than the federal standards.

NCSL encourages the federal government to consider the impacts of state matching and maintenance of effort requirements. Child care is a critical component that enables states to meet requirements for work participation in federal programs, and imposing a state match may serve as a barrier for some states in accessing badly needed child care funds. Maintenance of effort (MOE) requirements also make it difficult for states to take advantage of federal funds when they face difficult decisions about how to fund all human services programs. NCSL supports maintenance of effort flexibility.

If an administrative cap is imposed, it should be limited to a strict definition of administrative funds. Services such as inspections, licensing, automation, eligibility determination, resource and referral, case management, training, and rate setting are required and critical to the provision of quality services and should be defined as services. NCSL urges the federal government to provide technical assistance to states to improve the coordination and financing of child care programs.

118 **TANF and Child Care**

119 NCSL strongly supports child care as an eligible use of the Federal TANF block grant
120 and state maintenance of effort (MOE) funds. NCSL supports state options to transfer
121 up to 30% of their federal TANF block grant allotments to the CCDBG. We urge the
122 administration and the Congress to eliminate the distinction between how child care is
123 treated for working families based on funding stream.

124
125 NCSL urges the federal government to reconsider the distinction in TANF regulations
126 that counts child care and other work supports for the unemployed as assistance. NCSL
127 supports families having a reliable source of child care support while they look for
128 another job rather than offering an incentive for them to return to cash assistance.

129
130 **Standards**

131 NCSL supports states retaining regulatory, licensure and operational oversight of child
132 care facilities. Any regulatory requirements imposed by the federal government should
133 serve as a floor and not a ceiling, and not restrict state flexibility in determining how
134 child care facilities should function. NCSL urges federal agencies to support state efforts
135 through guidance and technical assistance, particularly in regard to building a child care
136 workforce, provider education, development of models for special needs populations,
137 and the homeless.

138
139 **Taxes and Benefits**

140 NCSL supports options through use of federal and state tax incentives that can
141 encourage creation of child care programs and help parents better afford child care
142 services. NCSL supports:

- 143 • Tax credits for employers that establish, operate, supply and/or support child care
144 programs, including the 45F. These tax credits should incentivize employers to
145 consider child care supports that benefit both their employees and the
146 community. NCSL encourages Congress to make it easier for small- and
147 medium-sized business to make use of the credit.

- 148 • Public or private incentives for a child's primary caregiver to have the option to
149 stay at home during the child's early developing stages;
- 150 • NCSL supports the Child Tax Credit as an effective way to help parents afford
151 child care and other basic necessities that support healthy child development.
152 NCSL encourages Congress to provide different maximum credit amounts for the
153 Child Tax Credit based on the age of the child, with the highest credit available
154 for the youngest children. NCSL encourages Congress to offer parents the option
155 to receive the credit in multiple payments during the year instead of once per
156 year. Child care benefits as an option in employer-sponsored cafeteria plans,
157 including pre-tax flexible spending accounts;
- 158 • NCSL supports the Child and Dependent Care Tax Credit (CDCTC) as an
159 opportunity to help parents afford child care. NCSL urges Congress to make the
160 following changes to the CDCTC to make it more accessible to low- and middle-
161 income families and to take into account inflation and the increasing cost of child
162 care:
- 163 ○ NCSL encourages Congress to update the CDCTC credit amount and
164 index the credit to inflation to ensure the credit reflects the current cost of
165 child care and offers a meaningful benefit to families as the cost of living
166 increases.
 - 167 ○ NCSL encourages Congress to make the CDCTC fully refundable so the
168 lowest-income families can receive the credit for child care costs they
169 have already incurred.
 - 170 ○ NCSL urges Congress to phase out the CDCTC for high-income families
171 who are less likely to have child care costs impact their financial stability.
- 172 • NCSL encourages Congress to separate the Dependent Care Assistance
173 Program (DCAP) from the CDCTC so that parents who contribute to a DCAP can
174 receive up to the maximum CDCTC for the amount they spend on child care
175 above their DCAP contribution. Tax incentives and financial assistance to
176 encourage individuals to establish and/or operate child care programs;

1 **COMMITTEE: CHILDREN, FAMILIES, AND HUMAN SERVICES**

2 **POLICY: SOCIAL SERVICES AND SUPPORTS FOR**
3 **FAMILIES AND INDIVIDUALS**

4 **TYPE: CONSENT**

5 **Social Services Block Grant (SSBG)**

6 NCSL urges the federal government to:

- 7 • Fund the Social Services Block Grant (SSBG) at the level agreed to as part of
8 the enactment of the 1996 welfare reform act, \$2.8 billion.
- 9 • Continue to allow states to transfer at least 10% of their TANF funds to
10 SSBG.SSBG funds programs that complement TANF's goal of self-sufficiency.
11 Reductions in funding for this grant would mean programmatic losses and
12 service reductions.

13

14 NCSL opposes:

- 15 • Imposing federal earmarks or set-asides within the SSBG or earmarking SSBG
16 for any of the populations served by the block grant.

17

18 Finally, if SSBG funding is substantially reduced or eliminated, state maintenance of
19 effort requirements related to expected expenditures from SSBG must be removed or
20 modified.

21

22 **Community Services Block Grant**

23 NCSL supports full funding and reauthorization of the Community Services Block Grant
24 Act. NCSL also supports efforts to improve program effectiveness and to measure
25 program performance and effectiveness.

26

27 **Low Income Home Energy Assistance Program (LIHEAP)**

28 NCSL urges LIHEAP funding at the highest authorized level for this program. NCSL
29 also supports the use of interest-subsidized loans to help households weatherize their

30 homes. NCSL urges federal efforts to ensure the following are maintained in the
31 LIHEAP program:

- 32 ○ Including all states in the funding allocation formula.
- 33 ○ Affording states the flexibility to shape the program in the way that best
34 meets the needs of its citizens and maintains strong state oversight of
35 such programs.
- 36 ○ Targeting assistance to households with the lowest incomes and to
37 households with infant, elderly and/or disabled members.
- 38 ○ Authorizing states to draw down program funds on an as-needed basis.
- 39 ○ Prohibiting counting energy assistance payments as income for the purpose of
40 determining eligibility and/or benefit levels in other public assistance programs.

1 **COMMITTEE: EDUCATION**

2 **POLICY: THE STATE-FEDERAL PARTNERSHIP IN**
3 **POSTSECONDARY EDUCATION**

4 **TYPE: CONSENT DIRECTIVE**

5 Reauthorization of the Higher Education Act (HEA) offers another opportunity to renew
6 this country's commitment to accessible and affordable postsecondary education and
7 remove barriers encountered by a changing student population. A strong higher
8 education system supports individual financial success, provides a foundation for
9 healthy state economies and ensures our nation's position in a global economy. When
10 students fall through the cracks, they do not achieve their full potential and neither does
11 our country. The federal government has an important role to play in supporting low-
12 income students, conducting research on innovation and productivity, monitoring
13 national and regional programming efforts, and providing data and technical assistance
14 to help states examine and analyze our institutions.

15

16 **Postsecondary Affordability**

17 Reauthorization efforts directing federal aid to students who need it most and helping
18 them quickly become productive members in their communities without substantial debt
19 will help local, state, and national economies. If federal aid is limited, there are fiscal
20 impacts for state-funded efforts to support students.

21

22 The federal government should ensure adequate federal funding for the Pell Grant
23 program to help reduce dependency on student loans. Congress should review Pell
24 Grant award amounts to guarantee that the purchasing value of this important grant
25 does not continue to erode and consider moving Pell funding to the mandatory side of
26 the federal budget. Congress should also ensure Pell serves the broadest number of
27 students, including adult students enrolled part-time.

28 The federal government should continue to reduce barriers or obstacles that may
29 prevent students from applying for federal financial aid. Students and their families
30 should be able to complete the FAFSA in a timely manner and their financial aid data

31 should be promptly reported to states and institutions. Each annual FAFSA should be
32 thoroughly vetted and tested before it is made publicly available on its statutorily
33 required deadline of October 1.

34
35 If Congress considers a new grant program to create a state-federal funding partnership
36 in higher education, the nation's legislators remind Congress that states are primarily
37 responsible for funding and governing their higher education systems. While each state
38 has different traditions and goals for its higher education institutions, all institutions
39 participate in a national higher education marketplace that crosses state lines. Congress
40 must recognize this by ensuring that any new affordability programs can benefit
41 students and institutions of all types in all states and territories. Broad state participation
42 should be a fundamental goal of any state-federal partnership.

43

44 A state-federal funding partnership in higher education must:

- 45 • provide funding to states in block grants that allow states the flexibility to
46 distribute funds across institutions and state financial aid programs;
- 47 • Avoid a state maintenance of effort requirement (MOE). As states continue to
48 prioritize and address competing public needs, federal policy must acknowledge
49 this reality by noting the fiscal constraints states face in satisfying maintenance of
50 effort requirements for important postsecondary programs. If MOE is required,
51 allow states to use a wide range of resources as match for federal dollars, such
52 as state and local funds not used to match another federal program. MOEs
53 should be constructed to provide legislatures certainty they will comply with MOE
54 provisions when budgeting for the upcoming fiscal year;
- 55 • continue to defer to state authority in regulating postsecondary tuition levels;
- 56 • ensure that eligibility requirements are set at the state level; and
- 57 • ensure state legislative authority to appropriate the funds.

58

59 The federal government should design college savings incentives at the federal level so
60 as to stimulate and complement, rather than preempt, similar policy initiatives by states

61 and higher education institutions. Legislators support student aid programs that serve
62 state and national economic and workforce priorities.

63

64 **Accountability**

65 Legislators strongly urge the federal government to defer to the states' leadership in
66 ensuring the quality of postsecondary education, and to facilitate state efforts to
67 emphasize accountability. While the federal government has a role in monitoring
68 national and regional accrediting bodies, accountability of state higher education
69 programs and institutions is and should remain a state issue. The federal government
70 should continue to support state authorization reciprocity agreements, which support
71 expanded access to quality postsecondary distance learning opportunities nationwide.
72 The terms of state authorization reciprocity agreements should be managed at the
73 discretion of participating states and federal involvement should be minimal and
74 complementary. States, not the federal government, should determine the governance
75 arrangements of any authorization reciprocity agreement.

76

77 **Teacher Preparation**

78 States have taken the lead in advocating for higher standards for teacher preparation
79 and performance, and vigorously acted to improve assessments of quality. As such, the
80 federal government must refrain from setting national standards. The National
81 Conference of State Legislatures (NCSL) encourages the expansion of several
82 programs embodied in the Higher Education Act and other federal legislation that
83 focuses on teacher quality. States should be included as eligible applicants or
84 encouraged as partners in federal grant projects, so that grant programs can be
85 developed with statewide goals in mind and best practices can be shared broadly.

86

87 **Student Success**

88 Our country will remain internationally competitive if more high school age, non-
89 traditional students, and working adults not only enroll in colleges and universities, but
90 complete postsecondary credentials and degrees. Ensuring students gain skills
91 competency no matter the means used to obtain that competency will help states and

92 the nation increase productivity, improve competitiveness, and prepare future
93 generations of leaders and citizens. States, working with national foundations,
94 institutions, and private partners, are implementing policies that focus on maintaining
95 access to postsecondary education and improving student performance and outcomes.
96 NCSL supports federal programs that complement state efforts to improve student
97 participation in and completion of postsecondary education. Legislators welcome federal
98 efforts, such as the College Scorecard, that provide prospective students with accurate
99 information on college costs and institution- and program-level student outcomes.
100 Increased transparency is critical to ensuring students are able to make informed
101 postsecondary choices.

102
103 Legislators are keenly aware that students benefit from a seamless progression
104 encompassing preschool through postsecondary education. A growing number of states
105 are looking at education as “P-16” rather than separate systems serving early
106 education, K-12 and postsecondary education and updating or amending their statutes
107 to facilitate this change. Important federal-state educational programs supported by the
108 states, such as the Perkins Act programs and the TRIO program, must be better
109 integrated with state postsecondary policy. The federal government has a significant
110 role and responsibility in working with states and supporting state efforts in college
111 readiness and providing research and technical assistance. Legislators welcome federal
112 efforts to facilitate the exchange of best practices around dual enrollment programs.

113
114 **Student Loans**
115 Increasingly the burden of higher education costs is borne by students and families.
116 This burden consists of significant educational debt held by students and their families.
117 Crippling education debt slows any recovery and limits state economic growth.
118 Congress and the U.S. Department of Education should ensure that loan repayment
119 and forgiveness programs are managed and administered in a manner that facilitates
120 successful repayment and receipt of authorized benefits for borrowers. In light of the
121 rapidly increasing costs of the federal student loan program, state legislators urge
122 Congress to clarify the role and goals of the student loan program and assess the

123 design of loan terms and benefits for borrowers, including loan limits, repayment
124 assistance, and forgiveness options.

125

126 The federal government should also recognize that many states now play a role in
127 ensuring borrowers are treated fairly and receive appropriate consumer protections. The
128 federal government should engage in collaborative federalism with states around
129 providing consumer protections to borrowers and conducting oversight of student loan
130 servicers.

1 **COMMITTEE: EDUCATION**

2 **POLICY: FEDERAL EDUCATION RELIEF AID**

3 **TYPE: CONSENT RESOLUTION**

4 **WHEREAS**, state legislatures have the primary responsibility for funding and governing
5 their state's K-12 and higher education systems; and

6
7 **WHEREAS**, the Elementary and Secondary School Emergency Relief (ESSER) Fund
8 provided historic amounts of one-time federal funds that gave school districts, rather
9 than states, discretion over how to spend ninety percent of funds; and

10
11 **WHEREAS**, the American Rescue Plan Act also included \$800 million in funding for
12 Homeless Children and Youth (ARP-HCY) to remove barriers to enrollment and
13 attendance in school; and

14
15 **WHEREAS**, school districts were granted unprecedented flexibility over how funds were
16 spent; and

17
18 **WHEREAS**, states were expressly prohibited from directing or restricting school district
19 spending; and

20
21 **WHEREAS**, any pressure to rapidly draw down stimulus funds may exacerbate inflation
22 and potentially encourage local spending without a clear plan for sustainability; and

23
24 **WHEREAS**, a sudden and steep reduction in one-time funds, especially if spent on
25 what are typically considered recurring expenses, could cause fiscal turmoil in school
26 districts that state legislatures may be expected to respond to; and

27
28 **WHEREAS**, each state has its own unique system for funding K-12 and higher
29 education; and

30 **WHEREAS**, fiscal conditions can vary significantly across states, especially during
31 times of national economic emergencies; and

32

33 **WHEREAS**, education is a significant part of state budgets, other compelling priorities
34 may make demands on state resources while states respond to and recovery from
35 emergencies; and

36

37 **WHEREAS**, Congress has included maintenance of effort provisions for both K-12 and
38 higher education funding from fiscal year 2020 to fiscal year 2023 as a condition of a
39 state receiving funds from the Elementary and Secondary School Emergency Relief
40 (ESSER) Fund; and

41

42 **WHEREAS**, Congress has also included “maintenance of equity” provisions for K-12
43 funding in fiscal years 2022 and 2023;

44

45 **NOW, THEREFORE BE IT RESOLVED**, the National Conference of State Legislatures
46 believes unanticipated federal funding for education should not bypass state legislative
47 appropriations processes and should allow state legislatures broad discretion in
48 determining how those funds will best meet local and state education needs; and

49

50 **NOW, THEREFORE BE IT FURTHER RESOLVED**, the National Conference of State
51 Legislatures believes Congress should extend the spending deadline for ESSER and
52 ARP-HCY to December 31, 2026 in order to smooth the rate of school district spending,
53 which could mitigate the inflationary impact of a rapid draw down of funds and give state
54 legislatures more time to conduct oversight and evaluate whether and how certain
55 expenditures could be sustained; and

56

57 **NOW, THEREFORE, BE IT FURTHER RESOLVED**, the National Conference of State
58 Legislatures believes the U.S. Department of Education should implement an orderly
59 and timely process for states and districts to request and receive permission for a late

60 liquidation of funds well in advance of the ESSER III and ARP-HCY obligation deadline
61 of September 30th, 2024; and

62

63 **NOW, THEREFORE, BE IT FURTHER RESOLVED**, the Secretary of Education should
64 allow states the opportunity to seek waivers from the maintenance of effort and
65 “maintenance of equity” provisions associated with the Elementary and Secondary
66 School Emergency Relief (ESSER) Fund; and

67

68 **NOW, THEREFORE, BE IT FURTHER RESOLVED**, the National Conference of State
69 Legislatures believes state fiscal requirements for education relief aid should only ask
70 states to maintain aggregate funding levels or serve as a guide for how states can make
71 cuts to education if facing revenue declines.

72

73 **NOW, THEREFORE, BE IT FURTHER RESOLVED**, the National Conference of State
74 Legislatures believes state fiscal requirements should not be used to compel states to
75 make fiscal or policy decisions beyond the purposes enumerated above, which includes
76 requiring states to increase funding for education or distribute funds to local education
77 agencies by methods other than a state’s statutorily defined school funding formula.

78

79 **NOW, THEREFORE, BE IT FURTHER RESOLVED**, that to help more children and
80 youth experiencing homelessness, states, municipalities, and school districts need
81 additional sustained funding and flexibility in how and when to use federal funding
82 dedicated to children and youth homelessness.

83

84 **NOW, THEREFORE, BE IT FURTHER RESOLVED**, that as the federal government
85 considers how to sustain the supports offered to states and schools through the ESSER
86 fund, it should prioritize funding through the McKinney-Vento Act Education for
87 Homeless Children and Youth program, which helps school districts identify and support
88 children and youth experiencing homelessness.

89 **BE IT FINALLY RESOLVED**, that NCSL send a copy of this resolution to Members of
90 Congress and the U.S. Department of Education.

1 **COMMITTEE: ELECTIONS AND REDISTRICTING**

2 **POLICY: FEDERAL DECENNIAL CENSUS**

3 **TYPE: CONSENT DIRECTIVE**

4 The U. S. Constitution requires that a federal decennial census be conducted every ten
5 years. This responsibility is delegated to the U.S. Census Bureau.

6 Since the first census was conducted in 1790, states have relied on federal census data
7 for various purposes. Currently, this data is used to redraw congressional and state
8 legislative district boundaries and to help federal, state, and local governments develop
9 informed, cost-effective policies that promote economic growth, the well-being of
10 individuals and families, and public safety in all communities. The federal government
11 uses formulas based on census data to distribute federal funds to states and localities.
12 In turn, states and localities use census data to distribute funding for vital services such
13 as Medicaid, Medicare, and state highways.

14 In addition to its singular Constitutional requirement to provide data for Congressional
15 reapportionment, P.L. 94-171 requires the Census Bureau to provide states with data
16 specifically for redistricting.

17 NCSL supports a full and complete census count and will work with the U.S. Census
18 Bureau to conduct its decennial census, related research programs, and outreach
19 efforts. NCSL urges Congress to facilitate a full and complete census count by ensuring
20 the U.S. Census Bureau has sufficient resources such as equipment, staff, and
21 funding.

22 NCSL has long partnered with the U.S. Census Bureau to provide state legislators and
23 legislative staff with timely information on census activity, both the decennial census
24 and other census programs, and to provide feedback on their services and research. It
25 is critical that the U.S. Census Bureau continues to seek this valuable feedback from its
26 state partners.

27 To meet its mission, the Census Bureau must:

- 28 1. Fulfill the constitutional mandate for the decennial census because of its critical
29 value to the states and to all Americans. It is critical for the Census Bureau to
30 maintain the level of preparedness and planning necessary to conduct each
31 decennial census. To achieve this goal the Census Bureau must maintain
32 adequate staffing to conduct the census, including the testing of all new
33 questions, procedures, and software in the field prior to conducting the census.
- 34 2. Meet federally mandated standards for data privacy through disclosure
35 avoidance without compromising data accuracy, particularly in regard to
36 reapportionment for congressional seats and redistricting for congressional and
37 legislative seats.
- 38 3. Implement and follow consistent policies that engender trust in the census
39 process to ensure compliance with the mandate to timely and properly account
40 for all people living in the United States as of on Census Day (April 1, 2030) and
41 thus produce an accurate count of the nation's population.
- 42 4. Disseminate decennial census data to states according to federally mandated
43 deadlines so that states can meet their mandated deadlines or necessary
44 timelines for redistricting.
- 45 5. Provide transparent access to critical annual data including the American
46 Community Survey, the American Housing Survey and the Local Update of
47 Census Address program intercensal population estimates, and other data
48 products.
- 49 6. Maintain adequate staffing and resources to administer the Local Update of
50 Census Addresses operation (LUCA) that supports the Census Address List
51 Improvement Act of 1994 (PL 103-430) and federal, state, local and tribal
52 collaborative efforts with the U.S. Census Bureau to develop the housing unit and
53 group quarters address list that it will use to conduct the decennial census.
- 54 7. Provide comprehensive census outreach and education to states and the general
55 public in ways that are comprehensible to all audiences, including those with
56 limited English-speaking reading or writing proficiency with the goal of

accomplishing a complete and demographically accurate census count.

1 **COMMITTEE: ELECTIONS AND REDISTRICTING**

2 **POLICY: ELECTION ADMINISTRATION**

3 **TYPE: CONSENT DIRECTIVE**

4 Debate over election policy has intensified and continues to attract national attention.
5 Public confidence in the integrity of our elections is of utmost importance to both state
6 and federal policymakers and is fundamental to our democracy; The Constitution of the
7 United States explicitly grants state legislatures the authority to regulate the time, place,
8 and manner of elections. Even minor changes to federal election laws and policy affect
9 states;

10 As the organization representing state legislatures, National Conference of State
11 Legislatures (NCSL) stands ready to partner with members of Congress and federal
12 officials to develop appropriate federal legislation, regulations or guidance that respect
13 state sovereignty.

14 NCSL recognizes the value of the election security support the Cybersecurity and
15 Infrastructure Security Agency (CISA) provides to states.

16 NCSL recognizes and thanks election officials, staff, poll workers and all other citizens
17 involved in election administration and voting for their tremendous contributions and
18 commitment to administering accurate and fair federal and state elections.

19 In January 2017 the Department of Homeland Security (DHS) designated the systems,
20 facilities and processes that support election administration as a component of United
21 States critical infrastructure. The United States Code defines critical infrastructure as
22 “systems and assets for which “incapacity or destruction ... would have a debilitating
23 impact on security, national economic security, national public health or safety, or any
24 combination” of them (42 U.S.C. §5195c(e)).” This designation has enhanced the
25 collaborative relationship between DHS and the states.

26 Given the designation of election infrastructure as critical infrastructure, and the
27 enhanced need for federal-state collaboration, state legislatures must be equal partners
28 with Congress and CISA to find workable solutions that are amenable to the states

29 when considering any potential election legislation or administrative agency actions.
30 NCSL urges Congress and the Administration to maintain the integrity and capacity of
31 CISA so that election cybersecurity remains strong.

32 NCSL opposes any federal election mandates with insufficient federal funding or that
33 preempt the authority granted to state legislatures by the U.S. Constitution. NCSL urges
34 Congress and the administration to engage in meaningful consultation with states or
35 their national association NCSL for any proposed congressional or agency action.
36 Meaningful consultation must include what the cost to states would be, the feasibility of
37 state implementation and any possible preemption of existing state laws. Meaningful
38 consultation with states or their national association NCSL must occur prior to
39 introduction of any federal bill or regulation impacting state or federal election processes
40 and give states or their national association NCSL sufficient time of at least 21 business
41 days to provide information and respond to Congress or the Administration.

42 NCSL urges the fiscally responsible congressional appropriation of federal funds to
43 supplement the resources already allocated by state and local governments for the
44 purposes of:

- 45 • Protecting equal access to the right to vote and insuring against the
46 disenfranchisement of American citizens;
- 47 • Facilitating accurate voter registration. If Congress should call for enhanced
48 standards for voter registration states must have access to national databases
49 free-of-charge that inform states of citizenship status, identity verification and
50 death records;
- 51 • Protecting data privacy for all individuals. Any federal legislation or proposed
52 rule, standard or guidance must contain appropriate privacy protection and
53 security provisions.
- 54 • Ensuring elections are conducted using current technology. As new technologies
55 are introduced and new certified election technology becomes available, states
56 will need federal funding assistance to deploy and maintain them;

- 57
- Enhancing the security of elections. State and local election offices and
- 58 technologies which are federally designated critical infrastructure, are potential
- 59 targets for physical and cybersecurity attacks. It is the federal government's
- 60 responsibility to provide support for state and local election officials and protect
- 61 against attacks on state systems. This support includes but is not limited to
- 62 education, vulnerability audits, information sharing, deployment of cybersecurity
- 63 technologies and any forthcoming strategies and tools that will assist states in
- 64 preventing and remediating physical and cybersecurity attacks.

1 **COMMITTEE: ELECTIONS AND REDISTRICTING**

2 **POLICY: VOTER REGISTRATION LIST MAINTENANCE**

3 **TYPE: CONSENT RESOLUTION**

4 **WHEREAS** the maintenance of official eligible voter records in each state is
5 foundational to the conduct of fair, free, and secure elections.

6 **WHEREAS** states hold the principal responsibility for maintenance of these official
7 records.

8 **WHEREAS** no comprehensive 50-state system of voter record maintenance exists
9 today.

10 **WHEREAS** timely upkeep of voter file information is imperative because voter data is
11 not static. Every day, people die, register to vote for the first time, move across state
12 lines, or have other events that impact voter eligibility. Changes such as address
13 updates, deaths or other events occur frequently.

14 **WHEREAS** maintaining accurate and updated voter rolls through effective, thorough,
15 nonpartisan and secure systems is vital to strengthening trust and confidence in the
16 election process.

17 **WHEREAS** voluntary state-led coordination between states and with the federal
18 government can help identify and remove ineligible or deceased voters and update
19 eligible voters' records.

20 **LET IT BE RESOLVED** NCSL urges Congress to assist states, territories and the
21 District of Columbia in ensuring effective voter data maintenance to increase the
22 accuracy of official records and voter confidence in the election process.

1 **COMMITTEE: HEALTH**

2 **POLICY: VETERAN'S HEALTH**

3 **TYPE: CONSENT DIRECTIVE**

4 NCSL supports federal initiatives to improve the accessibility and quality of health care
5 services to U.S. military veterans and their families. NCSL is particularly supportive of
6 efforts to:

- 7 • increase access and streamline eligibility and enrollment processes to health
8 care services to veterans and their families;
- 9 • improve and expand mental health services both in person and remotely;
- 10 • provide information and assistance to veterans and their families regarding the
11 range of health care services available to them and the appropriate means of
12 accessing the services;
- 13 • expand and improve services to veterans who are amputees, who have traumatic
14 brain injuries or who have other conditions or injuries sustained during active
15 duty. NCSL urges the Department of Defense and the Department of Veterans
16 Affairs to work closely with state and local governments when they can to assist
17 in the implementation of these initiatives, including sharing information with state
18 veteran's departments regarding the status of veterans residing in the state;
- 19 • improve the operation of the Veterans Health Administration by reducing wait
20 times for appointments, pursuing better coordination with other health care
21 providers and creating easier access to specialized care.

22

23 **Extension of TRICARE Prime to Veterans in the U.S. Commonwealths and**
24 **Territories**

25 NCSL supports the extension of TRICARE prime to American Samoa, Guam, the
26 Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico and
27 the Virgin Islands.

1 **COMMITTEE: LAW, AND PUBLIC SAFETY**

2 **POLICY: FEDERALISM**

3 **TYPE: CONSENT DIRECTIVE**

4 Our American federalism creatively unites states with unique cultural, political, and
5 social diversity into a strong nation. It is built on the concepts of shared sovereignty and
6 delineated powers. The Tenth Amendment is the cornerstone of constitutional
7 federalism and reserves broad powers to the states and to the people. Federalism
8 protects liberty, enhances accountability and fosters innovation with less risk to the
9 nation. NCSL strongly urges federal lawmakers to maintain a collaborative federalism
10 that respects states' roles and empowers states to appropriately implement federal
11 standards, permit diversity without causing division, and foster unity and coordination
12 among states without enshrining uniformity. To revitalize federalism, the three branches
13 of the national government should carefully examine and refrain from enacting
14 proposals that would limit the ability of state legislatures to exercise discretion over
15 basic and traditional functions of state government.

16 The Constitution divides authority between federal and state governments for the
17 protection of individuals." *New York v. United States* 505 U.S. 144 (1992). This careful
18 balance enhances the express protections of civil liberties within the Constitution.
19 Effective governance requires appropriate devolution of decision-making authority from
20 the federal government to the states in order to encourage participation and inclusion in
21 our federalist system.

22 By retaining power to govern, states can more confidently innovate in response to
23 changing needs. As Justice Brandeis wrote: "It is one of the happy incidents of the
24 federal system that a single courageous state may, if its citizens choose, serve as a
25 laboratory; and try novel social and economic experiments without risk to the rest of the
26 country." *New State Ice Co. v. Liebmann*, 285 U.S. 262 (1932)

27 It is a suitable role for the federal government to encourage innovation by states. Our
28 country's founders did not contemplate a perfect union, but rather a more perfect union,

29 meaning there must be room for policy experimentation and different methods of self-
30 government at the state level. States are inherently capable of moving more quickly
31 than the federal Congress to correct errors observed in policy and can be more
32 sensitive to public needs.

33 The Supreme Court has sent a strong message to Congress that its powers under the
34 Commerce Clause have boundaries (*United States v. Lopez*, (1995). Congress must
35 heed the wisdom of *Lopez* and not exercise its commerce powers without a compelling
36 need to do so. The Supreme Court has recognized the negative practical effect that
37 federal overreach under the dormant Commerce Clause would have on states in our
38 global economy, and that such overreach would “cast a shadow over laws long
39 understood to represent valid exercises of the States’ constitutionally reserved powers.”
40 (*National Pork Producers Council v. Ross* (2023) The Supreme Court should add to the
41 ability of states to respond to pressing social and economic problems by interpreting the
42 dormant Commerce Clause in a restrained manner sensitive to the states
43 constitutionally derived authority in the federal system.

44 NCSL dedicates itself to restoring balance to federalism through changes in the political
45 process and through thoughtful consideration and broad national debate of proposals to
46 amend the Constitution or to clarify federal law that are specifically intended to redress
47 the erosion of state powers under the Constitution. NCSL does not endorse any specific
48 proposal for or against constitutional change or call for a constitutional convention.
49 NCSL continues to support all civil rights laws in force in this country.

50 **Pre-emption**

51 Congress must allow states flexibility to shape public policy. Creative solutions to public
52 problems can be achieved more readily when state laws are accorded due respect.
53 Every preemptive law diminishes other expressions of self-government; therefore,
54 NCSL maintains that state laws should never be preempted without substantial
55 justification, compelling need, and broad consensus. Substantial justification means a
56 reason so significant that federal preemption is necessary to achieve a particular
57 national objective or to resolve a direct conflict between state and federal laws.
58 Compelling need means there is a pressing necessity for federal law to take

59 precedence over state law to address issues that cannot be effectively managed at the
60 state level including but not limited to national security, public health emergencies and
61 large-scale disasters. Broad consensus means there is widespread bipartisan support
62 among states and the federal government for the preemption. Our federalism
63 anticipates diversity; our unity does not anticipate uniformity. While proponents of pre-
64 emption may claim expected benefits, any benefit must be balanced against the
65 potential loss of accountability, innovation, and responsiveness.

66 Preemption may be warranted in specific instances when it is clearly based upon
67 provisions of the U.S. Constitution authorizing such preemption and only when it is
68 clearly shown (1) that the exercise of authority in a particular area by individual states
69 has resulted in widespread and serious conflicts imposing a severe burden on national
70 economic activity or other national goals; (2) that solving the problem is not merely
71 desirable, but necessary to achieve a compelling national interest and (3) that pre-
72 emption of state laws is the only reasonable means of correcting the problem.

73 The authority of Congress under the Supremacy Clause to preempt state legislation is
74 exercised by the federal government assuming responsibility for regulating under
75 federal law. In addition, the Supremacy Clause allows the federal government to offer
76 states the option of regulating pursuant to federal standards. The power of Congress to
77 thus pre-empt state authority must not be expanded to permit the federal government to
78 commandeer states to administer federal programs.

79 Congress shall provide reasonable notice to state legislative leaders and governors of
80 any congressional intent to preempt and shall provide them with opportunity for formal
81 and informal comment prior to enactment. To ensure that Congress knows the effects of
82 its decisions on states, members of Congress shall investigate which of their state's
83 laws would be preempted by federal legislation before they vote on the pre-emptive
84 legislation. Congress shall develop processes and seek early and regular consultation
85 with state legislatures to fully understand the fiscal and other policy impacts of proposed
86 bills on states. NCSL supports the creation of congressional intergovernmental
87 committees or subcommittees and maintains that Congress shall refer bills that affect

88 state powers and administration to these intergovernmental committees or
89 subcommittees.

90 States should not be undercut through the regulatory process. It is not acceptable for
91 unelected federal agency officials to exercise legislative authority through regulation that
92 preempts the decisions of the elected legislatures of the sovereign states. Any agency
93 intending to preempt state laws and rules must have the express statutory authority
94 from Congress to preempt. The Executive Order on Federalism (E.O. 13132) provides
95 guidance for agency examination of intergovernmental impact. NCSL urges the
96 codification of E.O. 13132 and enforcement of its provisions. NCSL also advocates
97 against agency circumvention of rule-making procedures through interim final
98 rulemaking and urges its prohibition. NCSL supports the creation of an appropriate
99 congressional committee to review agency regulations to identify unjustified intrusions
100 into state sovereignty.

101 **State Contracts**

102 NCSL believes that states should partner or contract with religious organizations and
103 engage in charitable choice initiatives pursuant to state and local laws and prerogatives,
104 not nationally mandated standards.

105 **Grant Conditions and Mandates**

106 When national policymakers ignore the fiscal impact of proposals that are to be
107 implemented at the state level, it confronts states with an impossible choice – ignore
108 federal law and face stiff financial penalties or underfund other important state priorities
109 in order to comply with federal unfunded mandates. Ignoring state impact also creates a
110 rift in intergovernmental relations between states and the federal government. The
111 federal government must be accountable for its policy decisions that ultimately affect the
112 level of services states provide or the level at which states are compelled to tax their
113 citizens. NCSL believes that states must retain the predominant role in shaping policies
114 for which they will allocate the predominant share of resources.

115 Among the distortions caused by the excessive power of the national government is the
116 separation of decisions to tax from decisions to spend. The intractable federal debt

117 makes federal spending decisions more difficult and increases state reliance on
118 mandates or grant conditions to accomplish congressionally set goals. NCSL maintains
119 that the federal government must fully appropriate designated funds before application
120 of penalties to states contained in authorized programs. Where statutes are ambiguous,
121 agencies must establish regulatory guidance before states become subject to penalties.
122 Federal resources shall be adequate to offer meaningful encouragement to state efforts
123 and, at a minimum, to provide technical assistance and oversight.

124 In *New York v. United States*, the Supreme Court outlined guidelines appropriate for
125 limiting regulation under the Spending Clause. Conditions should be unambiguous and
126 should be reasonably related to the purpose of the expenditure. NCSL opposes
127 conditions on grants made to the states beyond such conditions that are necessary to
128 specify the purpose of the expenditure, except where the conditions, such as those
129 relating to civil and individual rights, may fulfill powers expressly delegated to Congress
130 by the Constitution. Existing grants should not automatically become subject to new
131 conditions.

132 NCSL believes that federal grants to states can achieve national goals without
133 disrupting state laws and procedures. NCSL supports federal legislation that respects
134 the role of the legislature and that does not create an unnecessary preference for state
135 executive decision-making. NCSL maintains that funds received by a state under
136 provisions of federal law shall be subject to appropriation by the state legislature,
137 consistent with the terms and conditions required under such federal law. Legislatures
138 shall also retain authority to designate implementing agencies and to review state plans
139 and applications for assistance. State court systems shall not be commandeered to
140 implement federal policies; in the event federal actions will result in an increased burden
141 on state courts, then the federal government shall also provide funds to implement
142 action by the courts.

143 NCSL opposes Congress placing responsibility for administrative oversight of grant
144 conditions in the federal courts by relying on beneficiaries to enforce federal grant
145 requirements through lawsuits. In the event the courts are to be relied upon for
146 enforcement, then the federal government shall waive its sovereign immunity and

147 become subject to suit for failures in administration of programs. This policy does not
148 relate to access to federal courts for enforcement of constitutional rights.

149 **Sovereign Immunity**

150 The Supreme Court has held that the powers delegated to Congress under Article I of
151 the United States Constitution do not include the power to subject non-consenting
152 States to private suits for damages in state courts (*Alden v. Maine* (1999)). The Court
153 in *Alden* also recognized that sovereign immunity does not derive from the 11th
154 Amendment, but from the structure of the original Constitution itself. The states have
155 been recognized as sovereign entities even before the ratification of the U.S.
156 Constitution.

157 The Court further constrained Congress' ability to abrogate state sovereign immunity
158 under Section 5 of the 14th Amendment to the Constitution in *College Savings Bank v.*
159 *Florida Prepaid Postsecondary Education Expense Board* (1999). The Court held that
160 Congress' powers under § 5 of the 14th Amendment are powers of enforcement only,
161 and that these enforcement powers are remedial. This means that in order for sovereign
162 immunity of a state to be waived under Section 5, Congress must be able to identify a
163 pervasive pattern of wrongdoing under the 14th Amendment, and the federal legislation
164 seeking to remedy the wrongdoing, must be narrowly tailored to do so.

165 It is NCSL's position that if Congress intends to abrogate state sovereign immunity it
166 must state its intent in unmistakably clear language, and the federal government should
167 waive its own immunity in order to enhance legislative consideration of the risks.

168 Normally, equitable and injunctive remedies are sufficient safeguards for ensuring
169 compliance with the law.

170 **Criminal Jurisdiction**

171 Federal expansion of criminal jurisdiction, while not specifically preempting state laws,
172 diminishes the role of state legislatures by permitting federal and state prosecutors to
173 circumvent state law. The choice to prosecute in federal court based upon federal
174 penalties entails a choice to bypass state legislative responsibility. NCSL opposes the
175 federalizing of state criminal offenses because federalism is weakened and because the

176 role of federal courts as courts of limited jurisdiction is thereby undermined. NCSL
177 recognizes that specific crimes may be appropriate for federal action if a systemic
178 failure makes state action impossible or ineffective; such crimes may include those that
179 have complex international or interstate implications, which relate to the protection of
180 civil rights, or where conflicts prevent effective state or local prosecution. NCSL deems
181 inadequacy of state resources to be an insufficient reason for federal takeover of
182 criminal jurisdiction.

183 **Courts**

184 It is NCSL's position that in the process of selecting nominees to the federal courts, the
185 President and the Senate should -- among other considerations -- be mindful of the vital
186 role federalism plays within our constitutional framework.

187 **Conclusion**

188 NCSL endorses periodic examination by Congress of the state of American federalism.
189 Members of Congress shall expand formal and informal communications with their state
190 legislatures in order to defend federal legislation that diminishes state powers and to
191 explore less intrusive means of achieving national goals. In exploring the dimensions of
192 federalism, Congress shall consider the need for statutory and constitutional remedies
193 to restore balance. Together, we should revive appreciation for the principle that sharing
194 power between levels of government enhances America's ability to develop responsive
195 policy in a changing world.

1 **COMMITTEE: LAW AND PUBLIC SAFETY**

2 **POLICY: CYBER CRIME**

3 **TYPE: CONSENT RESOLUTION**

4 **WHEREAS**, the Federal Bureau of Investigation’s Internet Crime Complaint Center
5 (IC3), which serves as the primary destination for the public to report cyber-enabled
6 crime, has received over 9 million complaints since its founding in 2000 and over 2,000
7 complaints per day since 2020.

8 **WHEREAS**, the IC3 defines cyber-enabled crime as any illegal activity that is assisted
9 using cyber-related means, which “may include, but [is] not limited to, advance-fee
10 schemes, non-delivery of goods or services, computer hacking, or
11 employment/business opportunity schemes, and intrusion-based crimes such as
12 ransomware and data breaches.”

13 **WHEREAS**, the IC3 saw over 850,000 total complaints as well as a new record of over
14 \$16.6 billion in losses due to cyber-enabled crime in 2024 alone, with individuals over
15 60 years old representing the bulk of reported losses and complaints filed.

16 **WHEREAS**, almost 5,000 complaints filed with the IC3 were from critical infrastructure
17 organizations, such as power plants, hospitals, water treatment plants, and airports, that
18 were affected by ransomware and data breaches.

19 **WHEREAS**, all states and territories have had at least 70 IC3 complaints filed per
20 100,000 residents in 2024, with some states experiencing complaint volume as high as
21 900 per 100,000 residents, illustrating the ubiquity of cyber-enabled crime across the
22 country.

23 **WHEREAS**, the National Center for Missing & Exploited Children (NCMEC) received
24 over 450,000 reports of online enticement, where an individual is communicating with
25 someone believed to be a child with the intent to commit a sexual offense or abduction,
26 in 2024.

27 **WHEREAS**, NCMEC has observed a dramatic increase in child sextortion cases, where
28 children are blackmailed or threatened into sending sexual images and/or money to
29 perpetrators.

30 **WHEREAS**, a 2023 U.S. Government Accountability Office (GAO) report, “Cybercrime:
31 Reporting Mechanism Vary, and Agencies Face Challenges in Developing Metrics,”
32 outlined several difficulties in tracking and prosecuting cyber-enabled crimes due to
33 underreporting, costs of investigation and prosecution, victim concerns of reputational
34 impact, agency difficulties in retaining highly trained staff, lack of capacity for foreign
35 nations to participate in multi-jurisdictional criminal prosecutions, and inconsistent
36 definitions of cybercrime across federal agencies, among others.

37 **WHEREAS**, the Cybersecurity and Infrastructure Security Agency (CISA) serves as the
38 integral federal agency for identifying and managing risk to the cyber and physical
39 infrastructure that states and their residents rely on every hour of every day

40 **WHEREAS**, states have a vested interest in the safety of their residents and rely on
41 partnership with the federal government to enhance their capacity to address interstate
42 and international cyber-enabled crime.

43 **NOW, THEREFORE, BE IT RESOLVED**, the National Conference of State Legislatures
44 urges Congress and the Administration to increase the capacity of federal agencies to
45 respond to and partner with state and local jurisdictions to combat cyber-enabled crime.

46 **LET IT BE FURTHER RESOLVED**, the National Conference of State Legislatures
47 urges Congress and the Administration to restore long-term funding to CISA in amounts
48 necessary to sustain the agency’s ability to serve as a resource for state cybersecurity
49 efforts and to ensure the continued viability of the CISA regional offices, as well as the
50 state and local cybersecurity grant that assists states with combatting cyber threats and
51 maintaining overall statewide cyber readiness

52 **LET IT BE FURTHER RESOLVED**, the National Conference of State Legislatures
53 urges Congress and the Administration to maintain funding for the U.S. Department of
54 Commerce’s National Institute of Standards and Technology, which develops voluntary

55 cybersecurity standards, guidelines, and resources for industry, federal agencies, and
56 other stakeholders.

57 **LET IT BE FURTHER RESOLVED**, the National Conference of State Legislatures
58 urges Congress and the Administration to continue existing and pursue new
59 international partnerships to address external cybersecurity concerns that affect United
60 States residents.

61 **LET IT BE FURTHER RESOLVED**, the National Conference of State Legislatures
62 urges Congress and the Administration to continue to support and invest in state-federal
63 partnerships as well as interstate information sharing centers and associated grant
64 programs.

1 **COMMITTEE: LAW AND PUBLIC SAFETY and LABOR and**
2 **ECONOMIC DEVELOPMENT**

3 **POLICY: IMPROVING H-2A VISA POLICY TO END**
4 **AGRICULTURAL LABOR SHORTAGES**

5 **TYPE: CONSENT RESOLUTION**

6 **WHEREAS**, U.S. agricultural industries are currently experiencing labor shortages and
7 the U.S. agricultural workforce is experiencing a reduction in available labor; and

8 **WHEREAS**, the H-2A visa is a temporary work visa for foreign agricultural laborers and
9 does not provide a path to U.S. citizenship; and

10 **WHEREAS**, H-2A visa holders are foreign agricultural laborers that can help temporarily
11 fill labor gaps in the agricultural industry; and

12 **WHEREAS**, the pandemic highlighted the need for a diverse and robust workforce able
13 to withstand shocks and unforeseen circumstances, particularly in essential industries
14 experiencing labor shortages such as agriculture; and

15 **WHEREAS**, agricultural employers turn to employing H-2A visa holders when they can
16 demonstrate during the application process that there are no domestic laborers
17 available to fill needed positions;

18 **WHEREAS**, H-2A visa holders are valuable employees in the domestic and global
19 agricultural communities who desire and deserve opportunities, protections,
20 employment certainty and dignity; and

21 **WHEREAS**, agricultural employers and employees endure a costly and complex
22 employer-sponsored application process, fulfill burdensome reporting requirements and
23 comply with federally mandated wage requirements for both H-2A visa holders and
24 domestic laborers, as well as fulfill transportation, meal and housing requirements; and

25 **WHEREAS**, the H-2A visa program is the largest U.S. temporary work visa program,
26 despite the associated costs, and the number of applications by U.S. agricultural
27 employers to hire H-2A visa holders has been increasing dramatically over the past
28 decade, underscoring the severity of the current agricultural labor shortage; and

29 **WHEREAS**, current H-2A visa program rules prohibit the employment of H-2A visa
30 holders in any agricultural position that is not classified as temporary or seasonal in
31 nature, which disqualifies H-2A labors from filling most positions in dairy, livestock,
32 forestry and other year-round agricultural industries; and

33 **WHEREAS**, current H-2A visa program rules prohibit the employment of H-2A visa
34 holders for longer than one year, forcing employers to find replacement workers often
35 which is costly and burdensome for agricultural employers and employees; and

36 **WHEREAS**, H-2A visa holders are prohibited from extending their visa for more than
37 three years and H-2A visa holders must wait outside of the U.S. for a period of no less
38 than three months before they can reapply for a H-2A visa; and

39 **WHEREAS**, the H-2A visa program has been shown to create captive employment
40 dynamic, undercut wages, and working conditions, and drive down labor standards;

41 **NOW, THEREFORE, BE IT RESOLVED**, the National Conference of State Legislatures
42 urges Congress to extend H-2A visa holders' eligible length of employment by a single
43 agricultural employer to 12 months and further urges Congress to allow for an extension
44 of up to 12 months past the original term length when a verification of employment is
45 provided by the employer to decrease the burden on agricultural employers and H-2A
46 visa holders; and

47 **LET IT BE FURTHER RESOLVED**, the National Conference of State Legislatures
48 urges Congress and the Administration to expand the eligibility of H-2A visa labor to all
49 agricultural industries, including dairy, livestock, forestry and other year-round
50 agricultural industries; and

51 **LET IT BE FURTHER RESOLVED**, the National Conference of State Legislature urges
52 applicable federal agencies collaborate to streamline and modernize the H-2A visa
53 application and reapplication process and requirements, to allow greater flexibility,
54 increase efficiency and to reduce the financial and resource burdens on H-2A
55 employers and employees; and

56 LET IT BE FURTHER RESOLVED, the National Conference of State Legislatures urges
57 Congress to reform the H2A agricultural visa program to promote employer
58 accountability, high labor standards, fair wages, safe working conditions, and ensure
59 rights and protections for U.S. and immigrant agricultural workers alike; and

60 **LET IT BE FURTHER RESOLVED**, the National Conference of State Legislatures
61 urges the U.S. Department of Labor, the U.S. State Department, the U.S. Department of
62 Homeland Security, the U.S. Department of Agriculture and other applicable agencies to
63 consult with the National Conference of State Legislators on any proposed changes to
64 the H-2A visa application or program; and

65 **LET IT BE FURTHER RESOLVED**, the National Conference of State Legislatures
66 urges Congress and the Administration to expand the eligibility of temporary H-2A visa
67 labor to temporarily fulfill year-round and non-seasonal agricultural positions, including
68 production, preparation, processing or manufacturing of agricultural commodities, in all
69 agriculture industries during the requested length of employment within the valid work
70 period of the H-2A visa.

1 **COMMITTEE: LAW, AND PUBLIC SAFETY**

2 **POLICY: PRISON SECURITY**

3 **TYPE: CONSENT RESOLUTION**

4 **WHEREAS**, a 2018 National Survey of Correctional Contraband found that of 301
5 prisons across six states, cell phones were the second most common item of
6 contraband, with an average of 31 cell phones retrieved per 1,000 individuals.

7 **WHEREAS**, contraband cell phones used by incarcerated individuals enable the
8 continuance of crime such as drug trafficking and sexual exploitation.

9 **WHEREAS**, more than a dozen correctional officers have been convicted of providing
10 cell phones and phone parts to prisoners in exchange for bribes.

11 **WHEREAS**, the Urban Institute reported that more than 85% of correctional
12 administrators from 20 state prisons feel that contraband cell phones jeopardize the
13 safety of incarcerated individuals and correctional staff.

14 **WHEREAS**, the National Institute of Justice identified drones as a concern for
15 correctional facilities because drones can smuggle drugs, cell phones, weapons, GPS
16 trackers, and other contraband into facilities.

17 **WHEREAS**, drones may not only be used to smuggle in contraband but may also be
18 used for video surveillance of correctional facilities to aid inmate escapes.

19 **WHEREAS**, after the Federal Bureau of Prisons adopted a formal reporting process in
20 2018, reports of drones increased by 87 percent, with the Department of Justice
21 reporting 130 drone incidents in federal correctional facilities between 2015 and 2019.

22 **WHEREAS**, federal law does not currently prohibit drones from flying over correctional
23 facilities, but does, through a general prohibition, prohibit correctional facilities from
24 being able to control, capture, or destroy drones flying over facilities.

25 **NOW THEREFORE BE IT RESOLVED**, NCSL urges Congress to vote in favor of
26 implementing the 2025 Cellphone Jamming Reform Act (S. 1137) to prevent further
27 criminal activity in correctional facilities and communities.

28 **BE IT FURTHER RESOLVED**, NCSL asks Congress to criminalize the flying of drones
29 over correctional facilities and prioritize the prosecution of such incidents.

30 **BE IT FURTHER RESOLVED**, NSCL supports allowing law enforcement and
31 correctional facility agencies to mitigate drones that fly over critical infrastructure. NCSL
32 encourages Congress to permit a pilot program that enables law enforcement and
33 correctional facility agencies to mitigate drones that fly over critical infrastructure.

1 **COMMITTEE: LAW, AND PUBLIC SAFETY**

2 **POLICY: SUCCESSFUL INMATE REENTRY INTO SOCIETY**

3 **TYPE: CONSENT RESOLUTION**

4 **WHEREAS**, an incarcerated individual's success upon re-entry is impacted by their
5 ability to access resources like education, housing, transportation, and affordable
6 healthcare.

7 **WHEREAS**, the Second Chance Act and its reauthorizations are vital to successful re-
8 entry because the Act enables states, through grants, to implement programs and
9 resources for individuals re-entering the community.

10 **WHEREAS**, the United States Department of Justice reported that since 2008, when
11 the Second Chance Act was passed, more than 386,000 individuals received services
12 funded by the Act's grants.

13 **WHEREAS**, two examples of how the Second Chance Act funded re-entry programs
14 include Arizona, where grants were used to train community correctional officers on
15 best practices for supporting supervised offenders, and Ohio, where grants were used
16 to provide housing vouchers to formerly incarcerated individuals.

17 **WHEREAS**, the Council of State Governments Justice Center found that since the
18 Second Chance Act passed in 2008, reincarceration has decreased. In 2019, 27% of
19 individuals were reincarcerated within three years after re-entry, as opposed to 35%
20 who were reincarcerated within three years after re-entry in 2008.

21 **WHEREAS**, healthcare services like Medicaid are key to the successful re-entry of
22 incarcerated individuals and, without access to affordable healthcare, incarcerated
23 individuals may not seek medical care upon release.

24 **WHEREAS**, federal law has historically prohibited states from delivering Medicaid
25 services to incarcerated individuals unless they are a patient at a medical institution.

26 **WHEREAS**, new opportunities such as the Medicaid Re-entry Justice Involved Waiver
27 have provided states with new opportunities to leverage the Medicaid program to
28 provide critical care to incarcerated individuals up to 90 days pre-release.

29 **WHEREAS**, as of August 2024, the Center for Medicare and Medicaid Services had
30 approved 11 states' Medicaid Re-entry waivers with 13 other states pending proposals.

31 **NOW THEREFORE BE IT RESOLVED**, NCSL supports the 2025 Second Chance
32 Reauthorization Act as a vital component for states to implement re-entry programming.
33 NCSL urges Congress to vote in favor of the 2025 Second Chance Reauthorization Act
34 and restore any eliminated funding so that states can continue to provide services to
35 help individuals successfully re-enter into society.

36 **BE IT FURTHER RESOLVED**, NCSL acknowledges that incarcerated individuals who
37 will soon re-enter the community need access to affordable healthcare. NCSL
38 encourages Congress to support state policies and programs that provide incarcerated
39 individuals with access to healthcare prior to release from a correctional facility.

1 **COMMITTEE: NATURAL RESOURCES, ENERGY AND**
2 **ENVIRONMENT**

3 **POLICY: BEGINNING FARMERS AND RANCHERS**

4 **TYPE: CONSENT RESOLUTION**

5 **WHEREAS**, the USDA generally defines “beginning farmer or rancher” as an individual
6 who, “has not operated a farm or a ranch” or “has operated a farm or ranch for not more
7 than 10 years” or “meets such other criteria as the Secretary of Agriculture may
8 establish”; and

9 **WHEREAS**, the USDA’s National Agriculture Statistic’s Service Ag Census data has
10 found that approximately one third of all American farmers are 65 or older; and

11 **WHEREAS**, there is increasing risk and uncertainty in the agriculture industry due to the
12 significant negative impacts of natural disasters on production, threats from domestic
13 and foreign animal diseases, supply chain challenges, ongoing net agriculture trade
14 losses and current uncertainty around tariffs and international trade; and

15 **WHEREAS**, the impacts of natural disasters, including flooding, hail, drought and
16 wildfire, cost agriculture producers an estimated \$20 billion in 2024, making it
17 increasingly difficult for agriculture producers, especially beginning farmers and
18 ranchers to sustain their operations; and

19 **WHEREAS**, agriculture has high input costs and beginning farmers and ranchers need
20 significant capital and resources to rent or acquire the land, equipment and the other
21 items necessary to start their business and maintain vital profitability and sustainability
22 during the first ten years of operation; and

23 **NOW, THEREFORE, BE IT RESOLVED**, the National Conference of State Legislatures
24 calls on Congress, the administration and relevant federal agencies to continue to
25 support the development of the next generation of the agriculture workforce by
26 administering federal support programs and providing grants, loans, insurance,
27 technical assistance and training to all Americans seeking to work in agriculture or
28 become a farmer, forester or rancher; and

29 **LET IT BE FURTHER RESOLVED**, the National Conference of State Legislatures calls
30 on Congress, the administration and relevant federal agencies to continue to support
31 state level tax incentives, programs, grants and projects that support or administer
32 support to beginning farmers and ranchers and to reject any changes to federal
33 agencies, programs, grants or projects that would negatively impact how states receive
34 and administer federal assistance; and

35 **LET IT BE FURTHER RESOLVED**, the National Conference of State Legislatures calls
36 on Congress to regularly enact new farm bill legislation every five years, ensuring the
37 timely renewal of federal support for America’s beginning farmers and ranchers; and

38 **LET IT BE FURTHER RESOLVED**, the National Conference of State Legislatures calls
39 on Congress, the administration, and relevant federal agencies to support agriculture
40 producers, especially beginning farmers and ranchers, recovering from the devastating
41 impacts of natural disasters.

1 **COMMITTEE: NATURAL RESOURCES, ENERGY AND**
2 **ENVIRONMENT**

3 **POLICY: CHRONIC WASTING DISEASE**

4 **TYPE: CONSENT RESOLUTION**

5 **WHEREAS**, Chronic Wasting Disease (CWD) affects cervids such as deer, elk, and
6 moose and has been detected in at least 29 states, according to the Center for Disease
7 Control’s (CDC) March 2023 survey; and

8 **WHEREAS**, the states currently grappling with CWD are incurring significant costs to
9 respond to the disease, often requiring the wildlife management agencies and research
10 universities to divert limited resources from other vital activities; and

11 **WHEREAS**, these diseases create great suffering and death of wildlife and threaten to
12 infect more animals and impact ecosystems and economies; and

13 **WHEREAS**, recent research indicates CWD may be spread by ticks, and has the
14 potential to jump into human populations; and

15 **WHEREAS**, the CDC recommends not eating CWD infected deer; and

16 **NOW, THEREFORE, BE IT RESOLVED**, that the National Conference of State
17 Legislatures urges Congress to provide states with additional flexible federal funds for
18 research and response to emerging wildlife diseases, in order to effectively address this
19 multi-state wildlife disease crisis and enable states to assure their wildlife populations
20 are healthy. These funds must be provided without federal mandates on state wildlife
21 management; and

22 **BE IT FURTHER RESOLVED**, the National Conference of State Legislatures supports
23 National Institutes of Health funding to examine human health impacts from CWD.

1 **COMMITTEE: NATURAL RESOURCES, ENERGY AND**
2 **ENVIRONMENT**

3 **POLICY: FORESTRY**

4 **TYPE: CONSENT RESOLUTION**

5 **WHEREAS**, in the United States 800 million acres, approximately one third of its land
6 mass, is covered in forests and of that acreage, Federal and state and local
7 governments, owned and managed approximately 238.4 million and 82.7 million acres
8 respectively as of 2012; and

9 **WHEREAS**, direct federal forest management responsibilities are carried out by the
10 U.S. Department of Agriculture's Forest Service, the Bureau of Land Management, the
11 U.S. National Park Service and the Department of Defense across 43 states and the
12 territory of Puerto Rico; and

13 **WHEREAS**, federal agencies provide several vital programs, technical expertise and
14 funding to help with nationwide forest management and local and regional issues; and

15 **WHEREAS**, federal, state and local government and private forests can be used for
16 production, conservation and recreation, outdoor recreation in federal forests contribute
17 at least to \$13 billion to the American economy annually and in 2012 approximately
18 67% of U.S. forests predominantly focused on production; and

19 **WHEREAS**, the forest-based economy exists in every U.S. state and generates more
20 than \$280 billion worth of forest products annually in the U.S.; and

21 **WHEREAS**, the stability of American forestry currently faces numerous threats including
22 development, droughts, wildfire, extreme weather events, outbreaks of disease and
23 invasive species and pests, which the Forest Service has indicated could lead to net
24 forest loss; and

25 **WHEREAS**, invasive species, such as certain bark beetles, emerald ash borers, spotted
26 lanternflies and many others have had devastating impacts on certain domestic tree
27 species and have been detrimental to American forest health more broadly; and

28 **WHEREAS**, threats to the forestry industry from natural disaster are rising, the
29 Congressional Research Service found that in fiscal year 2022, 63 million acres of
30 national forest system lands had a high or very high wildfire hazard potential and in
31 2024 there were over 35 individual fires that burned over 40,000 acres; and

32 **WHEREAS**, the National Interagency Coordination Center Wildland Fire Summary and
33 Statistics 2024 Annual Report found that there were 64,897 wildfires reported across
34 the United States in 2024, and they destroyed more than 4,500 structures and damaged
35 8,924,884 acres. These occurrences are statistically higher than the five- and ten-year
36 averages; and

37 **WHEREAS**, as the threat of wildfires increases, so does the need for increased federal
38 preparedness and response as wildfires do not recognize jurisdictional boundaries, in
39 2024 only one in five wildfires were on federally protected lands; and

40 **WHEREAS**, many states, including Western, Great Lakes and Appalachian areas, are
41 comprised of significant tracts of federal land and should not be held solely responsible
42 for wildfire preparedness and response; and

43 **WHEREAS**, several states have already taken and continue to take action to respond to
44 the threat of wildfires, by increasing funding for forest management, creating or
45 increasing state wildfire funds, joining inter-state wildfire fighting compacts and
46 improving state firefighting workforces and equipment fleets; and

47 **NOW, THEREFORE, BE IT RESOLVED**, the National Conference of State Legislatures
48 urges Congress and the administration to maintain and sustain the role, scope and
49 adequate and appropriate funding and staffing levels of all federal forestry and wildfire
50 agencies, programs, grants, technical assistance and projects that assist states and
51 landowners with forestry, forestry management, timber production, reforestation and
52 wildfire preparedness, mitigation, resilience, response and recovery and to reject any
53 changes to federal agencies, programs, grants, technical assistance or projects that
54 would negatively impact how states conduct forestry management or receive federal
55 wildfire assistance; and

56 **LET IT BE FURTHER RESOLVED**, as state forestry agencies are the primary delivery
57 system for forest management activities nationwide, the National Conference of State
58 Legislatures opposes any federal action, activity or unwarranted preemption that would
59 undermine or usurp state forest management roles, responsibilities or regulatory
60 authority; and

61 **LET IT BE FURTHER RESOLVED**, the National Conference of State Legislatures calls
62 on Congress, the administration and relevant federal agencies to support and
63 encourage sustainable forestry practices, conduct forestry research, support industry
64 innovation and development, make wildfire reduction practices more economically
65 feasible and keep forestland working forestland; and

66 **LET IT BE FURTHER RESOLVED**, the National Conference of State Legislatures calls
67 on Congress, to regularly enact new farm bill legislation every five years, to ensure the
68 timely renewal of federal support for American foresters and forestry.

1 **COMMITTEE: NATURAL RESOURCES, ENERGY AND**
2 **ENVIRONMENT**

3 **POLICY: GROWING OUTDOOR RECREATION ON PUBLIC**
4 **LANDS**

5 **TYPE: CONSENT RESOLUTION**

6 **WHEREAS**, America’s public lands and waters comprise approximately 600 million
7 acres managed by federal, state and local entities; and

8 **WHEREAS**, according to the U.S. Department of Commerce’s Bureau of Economic
9 Analysis (BEA), outdoor recreation generated \$1.2 trillion in economic output and
10 accounted for 2.3% of U.S. gross domestic product in 2023; and

11 **WHEREAS**, BEA also found that outdoor recreation generated five million jobs across
12 the country and accounted for 3.1% of all U.S. employees in the same time period; and

13 **WHEREAS**, regular outdoor recreation is associated with economic growth, positive
14 health outcomes, and better quality of life, and many outdoor recreation businesses are
15 small, locally owned and operated businesses that are the cornerstones of rural
16 communities; and

17 **WHEREAS**, it is important that the federal government, in partnership with state and
18 local governments, ensure that access to outdoor recreation is available to all
19 Americans for generations to come; and

20 **WHEREAS**, the Expanding Public Lands Outdoor Recreation Experiences (EXPLORE)
21 Act combined several existing bills—including the Recreation Not Red Tape Act and
22 Simplifying Outdoor Access for Recreation Act—with new concepts such as improved
23 broadband connectivity at developed recreation sites, online collection of recreation
24 fees, federal collaboration with state, local and Tribal governments in identifying and
25 assessing housing, municipal infrastructure and other needs of gateway communities to
26 expand visitation to federal lands and waters; and

27 **WHEREAS**, the EXPLORE Act passed both chambers of Congress unanimously; and

28 **NOW, THEREFORE, BE IT RESOLVED**, that the National Conference of State
29 Legislatures urges members of Congress and the president of the United States to work
30 with states to effectively implement the provisions of the EXPLORE Act.

1 **COMMITTEE: NATURAL RESOURCES, ENERGY AND**
2 **ENVIRONMENT**

3 **POLICY: MICROPLASTICS RESEARCH**

4 **TYPE: CONSENT RESOLUTION**

5 A resolution of the National Conference of State Legislatures, urging the federal
6 government to fund research on microplastics in the environment.

7 **WHEREAS**, microplastics are pieces of plastic that are less than five millimeters in size
8 which can result from the disposal and breakdown of products and industrial waste
9 containing plastics; and

10 **WHEREAS**, the majority of plastics in the United States are not recycled; and

11 **WHEREAS**, recent studies have shown that microplastics are pervasive in the
12 environment; and

13 **WHEREAS**, microplastics are easily ingested by plankton and filter feeding animals and
14 are found in many species of wildlife including fish and shellfish; and

15 **WHEREAS**, microplastics have been found in bottled water and other consumer
16 products intended for human consumption; and

17 **WHEREAS**, microplastics have been found in human stools; and

18 **WHEREAS**, scientists still know little about the effects of microplastics on the human
19 body or on wildlife; and

20 **WHEREAS**, water resources, including drinking water, and soils and sediments are
21 rarely tested or monitored for microplastics; and

22 **WHEREAS**, questions still remain as to the sources of microplastics in the environment,
23 including the contributions from wastewater treatment facilities; and

24 **WHEREAS**, research is needed to understand the impacts of microplastics on the
25 environment and human health and to develop testing and monitoring protocols.

26 **NOW, THEREFORE, BE IT RESOLVED**, by the National Conference of State
27 Legislatures that it urges to the United State Environmental Protection Agency to
28 increase research efforts on microplastics.

29 **BE IT FURTHER RESOLVED**, that a copy of this resolution be sent to the U.S. Attorney
30 General, to the President of the United States, and all members of Congress.

1 **COMMITTEE: NATURAL RESOURCES, ENERGY AND**
2 **ENVIRONMENT**

3 **POLICY: PER- AND POLYFLUOROALKYL SUBSTANCES**
4 **(PFAS)**

5 **TYPE: CONSENT RESOLUTION**

6 **WHEREAS**, Per- and Polyfluoroalkyl Substances (PFAS) are a class of over 15,000
7 synthetic chemicals that are resistant to heat, water and oil. PFAS have been defined by
8 over 20 states as a class of fluorinated chemicals containing at least one fully
9 fluorinated carbon atom. Perfluorooctanoic Acid, also known as PFOA, and
10 Perfluorooctane sulfonate, also known as PFOS, are a subset of PFAS chemicals; and

11 **WHEREAS**, PFAS are sometimes referred to as “forever chemicals” because they
12 break down very slowly and thus can build up in soil, water and air over time; and

13 **WHEREAS**, PFAS have been and continue to be widely used in modern manufacturing
14 since the mid-twentieth century and they can be found in a multitude of consumer,
15 commercial and industrial products; and

16 **WHEREAS**, humans and the environment can be exposed to PFAS via multiple
17 sources, including but not limited to industrial products, personal care products,
18 cleaning products, clothing, furniture, appliances, electronics, food packaging, in low
19 levels in certain food products intended for human consumption, water, biosolids and
20 more; and

21 **WHEREAS**, according to EPA research, PFAS have been found in human and animal
22 blood throughout the country, additionally a Centers for Disease Control and Prevention
23 report found PFAS in the blood of 97% of Americans; and

24 **WHEREAS**, scientific studies have identified links between exposure to PFAS
25 chemicals and harmful health impacts in humans and animals; but scientific
26 understanding of PFAS impacts on human and animal health remains limited; and

27 **WHEREAS**, public awareness about PFAS and concern around exposure sources and
28 unknown human and environmental impacts has been rising; and

29 **WHEREAS**, thirty states have adopted over 100 policies to address PFAS and PFAS
30 contamination; and

31 **WHEREAS**, the EPA finalized the first federal National Primary Drinking Water
32 Regulation for six PFAS or mixtures in April 2024, setting legally enforceable maximum
33 contaminant levels for drinking water; and

34 **WHEREAS**, current federal funding is likely insufficient to address the total remediation
35 and clean-up of PFAS in drinking water and does not address PFAS remediation and
36 clean-up in other sectors; and

37 **NOW, THEREFORE, BE IT RESOLVED**, current federal action on PFAS prevention
38 and funding is likely insufficient to address the total remediation and clean-up of PFAS
39 in drinking water and does not address PFAS remediation and clean-up in other
40 sectors; and

41 **LET IT BE FURTHER RESOLVED**, the National Conference of State Legislatures
42 urges Congress, the administration and relevant federal agencies to identify, study, test,
43 and remediate PFAS, including but not limited to drinking water and the domestic food
44 supply; and

45 **LET IT BE FURTHER RESOLVED**, the National Conference of State Legislatures calls
46 for Congress, the administration and relevant federal agencies to make all federal PFAS
47 and PFAS response legislative and regulatory standards the floor and not the ceiling,
48 and allow states to enact additional PFAS restrictions and regulations within their
49 jurisdictions as deemed appropriate by state legislative and executive branches; and

50 **LET IT BE FURTHER RESOLVED**, the National Conference of State Legislatures
51 urges Congress, the administration and relevant federal agencies to engage in state-
52 federal intergovernmental communication, collaboration and coordination on PFAS and
53 PFAS response, as well as to consult with states prior to implementing federal PFAS or
54 PFAS response legislative or regulatory standards, including but not limited to proposed
55 PFAS exposure limits or clean up requirements and the National Conference of State
56 Legislatures strongly opposes any such federal legislation or regulation that enacts
57 unfunded or burdensome mandates on states; and

58 **LET IT BE FURTHER RESOLVED**, the National Conference of State Legislatures
59 urges Congress, the administration and relevant federal agencies to provide appropriate
60 funding, resources and technical expertise to states and territories to help with state-
61 level PFAS response capacity building, as well as assistance with PFAS studies,
62 prevention, transition to safer alternatives, source identification, treatment, mitigation,
63 remediation, clean-up removal and disposal in all areas of contamination, including but
64 not limited to drinking water and the domestic food supply; and

65 **LET IT BE FURTHER RESOLVED**, the National Conference of State Legislatures
66 supports continued clear and accurate communications about federal PFAS findings.

1 **COMMITTEE: TECHNOLOGY AND COMMUNICATIONS**

2 **POLICY: ARTIFICIAL INTELLIGENCE**

3 **TYPE: CONSENT DIRECTIVE**

4 **State Leadership in AI Policy Development**

5 The National Conference of State Legislatures recognizes that AI is transforming society
6 and the economy, with applications in nearly every sector. While AI has the potential to
7 drive innovation, improve services and create efficiencies, it also raises pressing
8 concerns.

9
10 State legislatures are at the forefront of addressing these opportunities and risks.

11 Lawmakers are engaging with a diverse set of stakeholders to enact laws and
12 regulations that promote innovation while protecting public interest. These state-led
13 efforts are essential to ensuring that AI technologies are developed and deployed in
14 ways that reflect the unique values, needs and priorities of their communities.

15

16 **Preserving State Authority in AI Regulation**

17 NCSL strongly opposes any attempt by Congress, federal agencies or the
18 administration to preempt state laws or undermine state authority over AI policy.

19 Preemption would interfere with the ability of states to act swiftly and responsively as
20 technology evolves and would compromise public trust in AI governance. Federal laws
21 and regulations in the AI space should establish a strong baseline of protections that
22 uphold individual data privacy, ensure transparency in AI-driven decisions and maintain
23 meaningful human oversight over critical systems. Congress should support states'
24 ability to build upon federal standards to address emerging risks and maintain
25 accountability.

26

27 **Federal-State Collaboration on AI Governance**

28 NCSL urges Congress, federal agencies and the administration to engage with state
29 lawmakers in the development of AI policy. States must be consulted throughout the

30 legislative and regulatory process, and their laws and innovations should be viewed as
31 critical components of a broader national strategy. Effective governance of AI requires
32 sustained intergovernmental collaboration and mutual respect for the dual roles of state
33 and federal governments.

34

35 **Transparency and Accountability in AI Systems**

36 NCSL supports transparency as a cornerstone of public trust in AI technologies.
37 Individuals have a right to know when AI systems are being used, what the systems
38 were designed for, how decisions are made, and what data is being collected and
39 processed. Equally important is accountability, which ensures that those developing and
40 deploying AI systems have some responsibility for their impacts and outcomes.

41

42 **Federal Investment in AI Research and Education**

43 NCSL supports increased federal investment in AI research through institutions such as
44 the National Science Foundation, the National Institute of Standards and Technology,
45 and the National Institutes of Health. These initiatives should include mechanisms for
46 sharing research findings with state policymakers to inform evidence-based decision-
47 making. National Laboratories should also collaborate closely with state and federal
48 governments to ensure AI research aligns with public needs and supports policy
49 development. Additionally, NCSL urges the federal government to launch national
50 education and public awareness campaigns to increase the public's understanding of AI
51 technologies, their applications and their implications.

52

53 **Workforce Development and Economic Opportunity**

54 NCSL supports robust federal investments in workforce development, including
55 upskilling and training programs that ensure students, workers and underserved
56 communities can fully participate in and benefit from the AI-driven economy.

57

58 **Safeguarding Against Malicious Uses of AI**

59 NCSL calls on Congress to partner with states to prevent the creation and distribution of
60 non-consensual AI-generated intimate images and other malicious uses of generative

61 AI, including deepfakes. These technologies pose serious threats to individual rights,
62 dignity and safety. Federal action in this area must complement, not preempt, state
63 efforts to protect their residents.

64

65 **Cybersecurity**

66 Enhanced federal-state coordination on cybersecurity standards and incident response
67 protocols is essential to protecting critical AI infrastructure that serves citizens and
68 supports economic growth across all levels of government. NCSL urges the federal
69 government to strengthen cybersecurity infrastructure and information sharing
70 mechanisms that support both state and private sector AI systems against evolving
71 cyber threats.

1 **COMMITTEE: TECHNOLOGY AND COMMUNICATIONS**

2 **POLICY: THE INTERNET AND ELECTRONIC COMMERCE**

3 **TYPE: CONSENT DIRECTIVE**

4 The Internet defies a detailed one-size-fits-all approach to public policy and regulation.
5 America's federal and state lawmakers, as well as policy makers from other countries
6 should be guided by principles that foster the Internet's development while protecting
7 the security and privacy of individual users.

8
9 Our nation's state legislatures are well-aware of the impact that access to the Internet
10 and electronic commerce have on the economic vitality of our states and communities.
11 State legislatures also recognize that the marketplace for electronic commerce is global,
12 not just in the United States. State legislatures share the concern of many in Congress
13 that ill-conceived over-regulation and taxation of the Internet and electronic commerce
14 services could harm our nation's ability to compete globally. However, state legislatures
15 also recognize that they have an obligation to act, when and if necessary, to protect the
16 general welfare of their constituents. As the use of the Internet continues to expand, any
17 future or existing regulations must be balanced against market forces in a competitive
18 and technologically neutral manner, as government must not choose the winners or
19 losers of the digital age.

20
21 Nothing in this policy statement is to be construed as limiting or affecting the right of any
22 state to regulate alcohol according to its local norms and standards pursuant to the 21st
23 Amendment.

24
25 NCSL opposes unnecessary or unwarranted federal legislation or regulation that would
26 impede efforts by states to promote access to the Internet, enhance competition or
27 increased consumer choice, or ensure the security of personal information of
28 consumers conducting electronic commerce transactions.

30 The National Conference of State Legislatures (NCSL) supports the following principles
31 in formulating laws and regulations that impact the Internet and electronic commerce:

32

33 **Consumer Data Privacy, Security and Online Safety**

34 With the proliferation of data online, including the internet of things and mobile devices,
35 the regulation of the collection, sales, and transmission of consumer data is increasingly
36 a priority for state and federal lawmakers. NCSL recognizes the importance of
37 consumer data privacy and security protections, as well as the role of the states as
38 leaders in establishing those protections for their constituents.

39

40 In response to many high-profile security breaches and violations of consumer privacy,
41 data privacy and security have become the subject of increasing regulation, most
42 notably the General Data Protection Regulation (GDPR) in Europe. States and the
43 federal government are working to protect against data breaches, mishandling of data,
44 and non-transparent sale of consumer data in a way that balances myriad competing
45 interests and allows for innovation while safeguarding the rights of consumers.

46

47 With regard to children and adolescents, the internet poses certain increased risks as
48 they may not be able to recognize dangerous situations online. Strong privacy laws
49 combined with online safety laws could be a critical part of alleviating the mental health
50 harms facing young people. States have enacted comprehensive privacy, security, and
51 online safety laws in the past few years and will collaborate with federal lawmakers on
52 initiatives to protect the privacy, security, and mental health of their residents,
53 particularly their children and adolescents to include:

54

- 55 • the use of tools (e.g., content moderation, content filtering, age verification) that
56 uphold user privacy and free speech while ensuring minors have safe, age-
57 appropriate online experiences consistent with existing laws and best practices
58 for digital safety.

59

- 60 • enhanced parental involvement in minors' use of digital platforms, including
61 social media. Encouraging meaningful parental engagement can help ensure
62 appropriate oversight and promote safe, age-appropriate experiences for youth
63 online.

64
65 NCSL also encourages Congress to consider requiring clear and visible warning labels
66 on social media platforms that inform users of potential mental health risks associated
67 with excessive social media use.

68
69
70 NCSL supports initiatives to promote digital literacy and online safety education for
71 children and families as part of comprehensive youth data privacy strategies, as well as
72 research on how social media impacts the mental health and well-being of children and
73 teens.

74
75 NCSL opposes blanket state preemption in federal data privacy and security legislation
76 and supports the establishment of strong federal baseline standards that allow states to
77 adopt additional protections tailored to their constituents' needs.

78
79 NCSL strongly urges Congress to engage in regular and meaningful consultation with
80 state lawmakers when considering federal privacy and security legislation, including
81 legislation aimed at protecting children and adolescents. State lawmakers should be
82 included in hearings, review of draft language, principle setting, and other
83 Congressional activity intended to impact state regulatory regimes.

84
85 If Congress develops a national standard, NCSL strongly encourages consultation with
86 states and recognition of state expertise in addressing the varied interests of each
87 state's unique constituency. In any federal legislation, NCSL urges Congress to
88 prioritize transparency and informed privacy decisions, to carefully consider the best
89 method for consumer notice, disclosure, and consent, and to ensure increased
90 safeguards to protect the privacy, security and mental health of children and

91 adolescents. NCSL further encourages Congress to consider issues of third-party
92 access and sales, disposal of data, consumer rights to control data, and the burden of
93 protecting consumer data. States have also engaged in significant deliberation over the
94 applicability of consumer protections to various data types, including how to define
95 personal data and how categories of data collectors or sellers should be regulated.
96 NCSL supports recognition by Congress of states' expertise on these issues and
97 opposes any legislation that preempts state law without meaningful consideration of
98 state priorities or established consumer protections.

99

100 NCSL also recognizes the rapidly evolving nature of data collection and urges Congress
101 to consider biometric data, location data, and technologies like facial recognition and
102 artificial intelligence when considering federal legislation.

103

104 States must retain the right to establish their own legal rights of action, enforcement
105 regimes, and oversight authority. NCSL urges Congress to protect the right of the states
106 to enforce data privacy provisions in any federal legislation.

107

108 **Telemarketing**

109 NCSL recognizes the increase in telemarketing activity, telemarketing fraud, fraudulent
110 mass texts, and robocalls across the nation and the work of the Consumer Financial
111 Protection Bureau and Federal Communications Commission on expanding consumer
112 rights in this area. NCSL urges Congress to pass legislation to protect consumers from
113 harassing, predatory, and fraudulent telemarketing activity, including requiring
114 telephone service providers to, at no cost to the customer:

115

- 116 1. Make robocall and text mitigation technology available to any customer;
- 117 2. Implement call and text authentication technology to identify likely spoofed calls
118 and texts; and
- 119 3. Offer call and text blocking technology.

120

121 **Free Speech**

122 The Internet allows people to communicate and share ideas with others with an ease
123 never before possible. Federal government policy should rigorously protect freedom of
124 speech and expression on the Internet, but not restrict states or local governments from
125 oversight protecting freedom of speech. New technologies should adequately enable
126 individuals, families and schools to protect themselves and students from
127 communications and materials they deem offensive or inappropriate. State law
128 enforcement, with federal assistance and resources, must be able to enforce criminal
129 statutes against predators that use the Internet to harm or abuse children.

130

131 **Self-Governance**

132 NCSL requests that Congress to maintain the current self-governance approach that
133 allows the competitive marketplace to drive broadband and broadband-related
134 applications development and deployment. Congress should avoid adopting new
135 mandates and provide the Federal Communications Commission (FCC) with defined
136 and limited authority to oversee, but not proactively intervene in, the broadband Internet
137 marketplace consistent with principles that focus on assessing whether the market
138 continues to ensure that consumers can:

139

- 140 1. Receive meaningful information regarding their broadband service plans;
- 141 2. Have access to their choice of legal Internet content, recognizing the limits on
142 bandwidth and quality of service of their service plan;
- 143 3. Run applications of their choice, subject to the needs of law enforcement and the
144 limits on bandwidth limits and quality of service of their service plans, as long as
145 they do not harm the provider's network or interfere with other consumers' use of
146 the broadband service; and
- 147 4. Be permitted to attach any devices they choose to their broadband connection at
148 the consumer's premise, so long as they operate within the limits on bandwidth
149 and quality of service of their service plans and do not harm the provider's

150 network, interfere with other consumers' use of the broadband service, or enable
151 theft of services.

152 **Growth**

153 Public policies must be designed to foster continuing expansion of useful and affordable
154 bandwidth, encourage development of innovative technologies and promote broad
155 universal access. Federal and state governments must work together to ensure that all
156 Americans, regardless of where they live, have competitive access to high-speed
157 broadband technologies. Government must work to guarantee open and competitive
158 markets for broadband services.

159

160 **Information Technology**

161 Information technology (IT) is a global industry. A strong American IT industry enhances
162 and strengthens the economic well-being of our states and nation. States and the
163 federal government must work together to ensure a climate that allows America's IT
164 companies to continue to perform research and technology development, to generate
165 innovative new products and services and to solve customer problems. States must
166 have the unfettered ability to continue to seek ways to use IT to better the lives of their
167 residents. Therefore, NCSL opposes any attempt by the federal government to restrict
168 or penalize states' efforts to utilize information technology services and products that
169 allow states to provide more efficient government services to residents at lower costs to
170 taxpayers.

171

172 **Internet Gambling**

173 Congress must respect the sovereignty of states to allow or to prohibit Internet gambling
174 by their residents.

175

176 The Wire Act of 1961 prohibits using an interstate wire communication to transmit bets
177 or wagers or information assisting in the placing of bets or wagers on any sporting event
178 or contest. The law also made it illegal to use interstate wire communications
179 transmissions to provide remuneration for winning bets or wagers or for information
180 assisting in the placing of bets or wagers.

181

182 In 2018, the Supreme Court's ruling in Murphy vs. National Collegiate Athletic Assn.
183 allowed states to legalize and regulate sports betting for the first time, and many states
184 have passed or are considering legislation that allows online gaming. Additionally,
185 states currently engage in online gaming markets, interstate online poker pools, online
186 lottery sales, and interstate lottery pools, among other online gaming activities. States
187 and bettors also use the internet for marketing and payment processing. Some states
188 currently utilize technology that restricts sportsbooks and users to operate within state
189 lines.

190

191 The Department of Justice has issued several memos on the application of the Wire Act
192 that may impact the ability of states to operate and regulate a variety of online betting
193 and gaming activities. In 2019, the Office of Legal Counsel in the Department of Justice
194 issued a revision of their 2011 opinion. The revision stated that the restrictions in the
195 Wire Act apply to any form of gambling that crosses state lines, and may impact many
196 currently legal state gambling activities, including the passing of data through
197 intermediaries. The revision creates uncertainty in the regulatory environment and may
198 cause disruption in state markets as litigation follows.

199

200 NCSL recognizes the importance of state sovereignty in the operation and regulation of
201 online gaming and the importance of a predictable and stable regulatory environment.
202 NCSL encourages Congress and the Department of Justice to engage in regular and
203 meaningful consultation of state lawmakers and regulators when considering bills,
204 opinions, or other actions that may disrupt current state markets or affect the ability of
205 states to regulate online gaming. NCSL recognizes that states are best suited to
206 regulate online gambling and encourages the Department of Justice to revise its current
207 interpretation of the Wire Act to recognize state sovereignty in regulating these activities
208 and provide market stability.

209

210 NCSL also urges Congress to clarify the Wire Act to protect the ability of states to
211 operate and regulate online gambling activities as they see fit, including currently legal

212 activities threatened by the revision of the OLC opinion. NCSL further recognizes that
213 the Wire Act contains language that is out of date and does not reflect the reality that
214 states, markets, consumers, and regulators operate in the age of the internet and digital
215 commerce. NCSL supports a revision of the Wire Act that updates the Act to more
216 accurately represents current technology and communications capabilities.

217

218 **Electronic Commerce and Taxation**

219 Government policies should create a workable infrastructure in which electronic
220 commerce can flourish. Policy makers must resist any temptation to apply tax policy to
221 the Internet in a discriminatory or multiple manner that hinders growth. Government tax
222 systems should treat transactions, including telecommunications and electronic
223 commerce, in a competitively neutral and non-discriminatory manner. The federal
224 government and America's industries should work with state legislatures in ensuring
225 equal tax treatment of all forms of commerce and should encourage state efforts to
226 achieve simplification and uniformity through the streamlining of state and local sales
227 and telecommunications tax systems.

228

229 NCSL supports the reform of the discriminatory taxation of communications services
230 and believes that if state and local governments were to take such action, the need for
231 the federal moratorium on Internet access would cease to exist.

232

233 **Video Franchise Reform**

234 Innovation and convergence of existing technologies are radically expanding
235 communications and information services, blurring distinctions between telephone,
236 Internet services, cable, wireless and satellite. These rapid changes often outpace
237 abilities of federal, state and local regulatory regimes to adapt. It is important that video
238 regulatory policy assure that like services are treated alike, investment is encouraged,
239 and services are in a non-discriminatory manner.

240

241 **State Administration Will Preserve State Authority**

242 Local jurisdictions are the creation of either state constitutions or law. The powers that
243 these political subdivisions of the state exercise were granted to them over time by state
244 legislatures. Those local jurisdictions that have franchise authority have it as a result of
245 state legislation or the state constitution. Therefore, any attempt by Congress to
246 preempt current local franchise authority is a preemption of state sovereignty.
247 While NCSL rarely advocates for the consideration of legislation in state legislatures,
248 NCSL has at times, when states are facing a crisis or a serious threat of federal
249 preemption, urged state legislatures to take action. NCSL endorses efforts that remove
250 barriers to entry for or inequity of regulation among video competitors and foster
251 additional consumer choices in the video marketplace ultimately ensuring competitive
252 neutrality.

253
254 Government should encourage competition and consumer choices for broadband and
255 video services and promote the deployment of broadband services and technologies, as
256 well as including options for public-private partnerships where applicable.

257
258 **Fees and Taxation of Video Providers**

259 Franchise fees today are levied, imposed or collected as a percentage of gross
260 revenues, used for general revenue purposes and not based on the actual direct and
261 identifiable costs of any benefit to the entity that pays the fee. To the extent such fees
262 are intended as payment for use of public rights-of-way, that fee should be limited to the
263 actual, direct and identifiable cost of such use, and that portion of the fee should be
264 applied only to those who use the rights-of-way. Franchise fees should be collected and
265 administered by one central agency per state.

1 **COMMITTEE: TRANSPORTATION**

2 **POLICY: REAL ID**

3 **TYPE: CONSENT SUNSET DIRECTIVE**

4 NCSL urges Congress and the administration to continue to work with NCSL and its
5 members on implementation of REAL ID that recognize national security but do not
6 impede the sovereignty of state licenses of place a federal agency or agent as
7 permanent and ongoing authority for determining state license uses and requirements.

8 NCSL supports efforts to extend existing deadlines until obstacles to implementation are
9 addressed. In addition, NCSL supports the use of waivers by the Secretary of the
10 Department of Homeland Security, for states that have adopted other forms of
11 compatible identification.

1 **COMMITTEE: TRANSPORTATION**

2 **POLICY: AUTONOMOUS VEHICLES**

3 **TYPE: CONSENT RESOLUTION**

4 **WHEREAS**, the automobile is undergoing a technological evolution with the potential to
5 revolutionize personal mobility, transform commercial trucking and provide
6 immeasurable safety benefits. As vehicles that operate on public roads are subject to
7 state, federal and local jurisdiction, the need to clearly define state and federal roles is
8 paramount.

9 **WHEREAS**, NCSL agrees that the National Highway Traffic Safety Administration
10 (NHTSA) should be the sole entity setting federal motor vehicle safety standards
11 (FMVSS) for autonomous vehicles, equivalent to their current role for conventional
12 vehicles.

13 **WHEREAS**, NCSL strongly believes that states have clearly defined authorities when it
14 comes to vehicle use—which include vehicle registration; driver licensing and
15 education; traffic laws, regulations and enforcement; and insurance and liability.

16 **WHEREAS**, NCSL recognizes, appreciates and agrees that authority to issue
17 exemptions of FMVSS remains solely in the realm of the Secretary of Transportation.

18 **WHEREAS**, NCSL recognizes that states and the federal government have a vital
19 interest in increasing road safety for all road users and have a shared interest in
20 reducing traffic crashes and fatalities, particularly to vulnerable road users such as
21 pedestrians.

22 **WHEREAS**, Cybersecurity is a vital aspect of autonomous vehicles and as vehicles
23 begin to communicate with each other (vehicle-to-vehicle or V2V), as well as with
24 infrastructure (vehicle-to-infrastructure, V2I, and V2X), the potential risk of cyberattacks
25 and security breaches increases greatly.

26 **WHEREAS**, approximately 20% of Americans do not have a driver's license or access
27 to a vehicle and many Americans with disabilities could benefit from autonomous
28 vehicles with appropriate accessibility features to increase mobility options.

29 **NOW BE IT RESOLVED**, NCSL urges Congress and the administration to remain in
30 constant consultation with states when devising potential regulations of autonomous
31 vehicles and to consider the following positions when making policy determinations:

- 32 1. NCSL is opposed to congressional or administration proposals that would seek to
33 preempt state authority by prohibiting states from prescribing certain standards or
34 regulations related to autonomous vehicle testing or operation, including
35 requirements related to the presence of a human operator that are more
36 restrictive than those required by the federal government.
- 37 2. NCSL strongly encourages the Secretary of Transportation, or any applicable
38 designated agency, to ensure that any exemption of existing motor vehicle safety
39 standards provides a safety level at least equal to the safety level of the existing
40 standard. As exemptions are granted, NCSL implores the department to provide
41 such information to states in a timely manner.
- 42 3. NCSL requests that state legislators be appointed to or included in any
43 congressional or administration task force, council or other advisory group
44 related to the development or regulation of autonomous vehicles. NCSL
45 encourages congressional and administration task forces to work with NCSL to
46 help ensure the appropriate states are included.
- 47 4. NCSL urges both the administration and Congress to share any physical or cyber
48 threat information with state governments and to work with states to ensure that
49 such threats and affected vehicle populations do not become endemic. A
50 collaborative effort is vital in ensuring such safety.

1 **COMMITTEE: TRANSPORTATION**

2 **POLICY: BEYOND VISUAL LINE OF SIGHT OPERATIONS OF**
3 **UNMANNED AIRCRAFT SYSTEMS**

4 **TYPE: CONSENT RESOLUTION**

5 **WHEREAS**, Drones as First Responders (DFR) is a program whereby first responders'
6 drones are pre-positioned in a service area, ready to be launched immediately in
7 response to an emergency call for service; and

8 **WHEREAS**, once overhead, the drone live-streams the video to responding first
9 responders and communications centers; and

10 **WHEREAS**, DFR has proven to be an efficient and effective way of providing public
11 safety with critical information increasing situational awareness and providing de-
12 escalation strategies keeping both first responders and the community safe; and

13 **NOW, THEREFORE, BE IT RESOLVED**, that the National Conference of State
14 Legislatures urges Congress to require the Federal Aviation Administration (FAA) to
15 establish a regulatory pathway for certification or approval of Beyond Visual Line of
16 Sight Operations (BVLOS) for Unmanned Aircraft Systems for first responders to
17 support DFR programs around the country.

1 **COMMITTEE: TRANSPORTATION**

2 **POLICY: DISTRIBUTION OF FEDERAL SURFACE**
3 **TRANSPORTATION FUNDING TO STATES**

4 **TYPE: CONSENT RESOLUTION**

5 **WHEREAS**, states receive funding from the federal government for surface
6 transportation projects in myriad ways, including traditional formula-based funding and
7 directed discretionary programs that focus on certain outcomes or goals.

8 **WHEREAS**, formula-based funding allows federal monies to be distributed through a
9 predictable and stable process, thus allowing for better project and multi-year program
10 delivery by states wherein the most needed transportation problems and infrastructure
11 projects are identified and prioritized by states, metropolitan planning organizations and
12 local elected officials for funding.

13 **WHEREAS**, shifting a greater share of federal surface transportation funding to formula-
14 based distribution and away from more discretionary project-specific awards allows
15 states—which are more cognizant of the day-to-day needs of their residents and
16 infrastructure—to prioritize projects in an efficient and cost-effective manner.

17 **WHEREAS**, states recognize the need for discretionary, project-specific federal funding
18 in the case of interstate or large-scale projects, but too much focus on this type of
19 funding restricts the ability of states to properly direct funding where it is needed most.

20 **WHEREAS**, states need as few restrictions as prudent and possible on how surface
21 transportation formula funding can be spent within their borders to allow the quickest
22 and best possible project outcomes for the greatest amount of people.

23 **WHEREAS**, the time, staffing and expertise required to apply for and successfully
24 receive and disburse funds places considerable strain on state and local governments
25 and cause significant capacity and expertise issues.

26 **NOW BE IT RESOLVED**, that the National Conference of State Legislatures urges
27 Congress to appropriate a greater amount of funds to formula-based funding and away
28 from more restrictive project-based awards in the next iteration of surface transportation

29 legislation—while maintaining necessary funding for larger bridge and multi-state
30 projects—so that states may have a greater amount of freedom and flexibility to
31 prioritize critical and beneficial projects.

1 **COMMITTEE: TRANSPORTATION**

2 **POLICY: FUNDING THE HIGHWAY TRUST FUND**

3 **TYPE: CONSENT RESOLUTION**

4 **WHEREAS**, the Highway Trust Fund is a user-pay, user-benefit system that, since its
5 creation via the Federal Aid Highway Act of 1956, has helped fund the nation’s road
6 construction, mass transit and other surface transportation programs via federal gas
7 taxes.

8 **WHEREAS**, the federal gas tax was last raised in 1993 to a level of 18.4 cents per
9 gallon of gasoline and 24.4 cents per gallon of diesel.

10 **WHEREAS**, revenues from the federal gas tax stopped growing faster than federal
11 expenditures in 2001 due in large part to increased fuel efficiency levels and the
12 proliferation of hybrid and electric vehicles. Since 2008, Congress has provided more
13 than \$275 billion from the general fund to cover the annual shortfall in the Highway
14 Trust Fund according to the Congressional Budget Office.

15 **WHEREAS**, NCSL believes that a federal trust fund, financed by user fees, should be
16 retained as the primary method of federal-aid surface transportation program funding
17 and that such a fund must provide states a sustained, consistent and reliable source of
18 transportation funding.

19 **WHEREAS**, the U.S. Department of Transportation established the National Motor
20 Vehicle Per-Mile User Fee Pilot as required by Congress in the Infrastructure
21 Investment and Jobs Act and the Federal System Funding Alternatives Advisory Board,
22 which is tasked with leading the national pilot program, was created in December 2024.

23 **WHEREAS**, numerous additional funding sources, such as up-front fees and taxes on
24 electric vehicle purchases, mileage-based user fees, electric and hybrid vehicle
25 enhanced registration fees, electric vehicle charging fees and other user fees have
26 been studied, piloted and implemented by states and are being studied to determine
27 their viability.

28 **NOW BE IT RESOLVED**, that the National Conference of State Legislatures urges
29 Congress, the Department of Transportation and all other applicable agencies to
30 continue their study of all available alternate funding sources while making necessary
31 general fund transfers to maintain the solvency of the Highway Trust Fund.

32 **NOW BE IT FURTHER RESOLVED**, that Congress, the Department of Transportation
33 and all other applicable agencies should work closely with states to learn from state
34 success stories regarding additional or alternate funding sources and to ensure the
35 transportation funding needs of states continue to be met.

1 **COMMITTEE: TRANSPORTATION**

2 **POLICY: PRESERVATION OF SUCCESSFUL IJA PROGRAMS**

3 **TYPE: CONSENT RESOLUTION**

4 **WHEREAS**, the Infrastructure Investment and Jobs Act contained approximately \$1.2
5 trillion in infrastructure spending, including \$550 billion in new spending, and included
6 provisions for federal highway aid, transit, highway safety, rail programs, and hazardous
7 materials transportation.

8 **WHEREAS**, many of these programs have funded significant investments in
9 infrastructure in all 50 states and the territories, including airport improvements, bridge
10 repairs, mass transit projects and highway improvements, benefiting residents and
11 visitors alike, and should be continued in future legislation.

12 **WHEREAS**, by contrast, some programs have been unsuccessful and should be
13 dropped from inclusion in future surface transportation legislation.

14 **WHEREAS**, states are the best and most efficient judges of what programs and
15 sections of the Infrastructure Investment and Jobs Act have and have not been
16 successful.

17 **NOW BE IT RESOLVED**, that the National Conference of State Legislatures urges
18 Congress to closely consult with states and territories to identify successful projects
19 funded through the Infrastructure Investment and Jobs Act and continue these
20 programs in the next iteration of surface transportation reauthorization legislation.

1 **COMMITTEE: TRANSPORTATION**

2 **POLICY: REFORMING PERMIT PROCESSES AND RIGHT-**
3 **SIZING PROJECT REQUIREMENTS**

4 **TYPE: CONSENT RESOLUTION**

5 **WHEREAS**, according to a 2020 White House study, the average federal National
6 Environmental Policy Act (NEPA) permitting process takes between 3.5 and 6 years to
7 complete.

8 **WHEREAS**, the nation’s infrastructure received a C in the 2025 American Society of
9 Civil Engineers’ American Infrastructure Report Card, underscoring the continued need
10 for investment in America’s roads, bridges and more.

11 **WHEREAS**, that same report noted that “39% of major roads in the U.S. are in poor or
12 mediocre condition,” “51% of Americans report inadequate bus, subway, or commuter
13 bus service,” and almost 56% of the nation’s bridges are in “fair” or “poor” condition.

14 **WHEREAS**, multiple Congresses and presidential administrations, as well as state and
15 local governments and private sector partners have noted the need to reform the
16 permitting process for large-scale infrastructure projects.

17 **WHEREAS**, contrasting federal, state and local regulations and requirements, along
18 with unclear lines of communication between and among state and federal entities can
19 complicate and extend processes and timelines for applying for, permitting and
20 completing infrastructure projects.

21 **WHEREAS**, smaller, city, county and state transportation departments or offices can
22 often lack sufficient staffing, expertise, capacity or resources to handle the complex and
23 expensive project application and documentation requirements imposed by the federal
24 government for every project that received federal funds.

25 **NOW BE IT RESOLVED**, that NCSL urges Congress and the administration to, in direct
26 consultation with states, expedite the reform and streamlining of the nation’s federal
27 infrastructure permitting processes and work with states to ensure project application

28 and documentation costs and requirements do not exceed the capacity and expertise of
29 state or local offices being solicited.

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COMMITTEE: TRANSPORTATION AND LAW AND PUBLIC SAFETY

**POLICY: SECURING NATIONAL SUPPLY CHAINS THROUGH
 THE COMBATING ORGANIZED RETAIL CRIME ACT**

TYPE: CONSENT RESOLUTION

WHEREAS, organized retail and supply chain crime has escalated in both scale and sophistication, threatening the integrity of the national supply chain by targeting freight systems, including rail, leading to costly delays and heightened safety concerns; and

WHEREAS, the *Combating Organized Retail Crime Act* (CORCA) is a bipartisan effort in Congress seeking to strengthen the federal response to organized cargo theft through improved coordination, data-sharing, and enforcement; and

WHEREAS, a healthy and resilient logistics network, powered by freight rail, is vital to U.S. economic competitiveness, job growth, industrial productivity, and ensuring affordable goods for consumers; and

WHEREAS, America’s extensive freight system, anchored by 600 privately owned railroads spanning nearly 140,000 miles, delivers 59 tons of goods for every American annually, underscoring the importance of affordable and efficient transportation; and

WHEREAS, freight rail is a powerful economic engine, moving 40% of U.S. long-distance freight and supporting a diverse workforce while generating activity in every sector of the economy, from small farms to large-scale manufacturing facilities, and contributing over \$230 billion annually to the U.S. economy; and

WHEREAS, trains are essential to international trade and cross-border goods movement, with nearly 40% of rail traffic attributable to trade, without which supply chains would be strained and the cost of goods would rise; and

WHEREAS, freight railroads fund their own infrastructure, spending \$23 billion annually on average to maintain and upgrade tracks, equipment, and safety systems, and this private investment provides public benefits like reduced traffic, emissions, and damage to taxpayer-funded highways; and

29 **WHEREAS**, railroads are a major tax contributor, paying nearly \$16.7 billion in state and
30 federal taxes in 2023—supporting essential public services such as schools, emergency
31 services, and public infrastructure; and

32 **WHEREAS**, organized retail and supply chain crime incidents have surged nationwide,
33 with a 93% increase since 2019 and estimated losses reaching \$121.6 billion in 2023.
34 Intermodal rail containers—carrying high-value goods like electronics, toys, and
35 clothing—have become prime targets, with rail thefts rising 40% in 2024 alone, resulting
36 in over 65,000 incidents and \$100 million in losses; and

37 **WHEREAS**, this is not isolated or petty theft but a systemic, coordinated, effort by tech-
38 savvy, often transnational criminal networks targeting every link in the supply chain—
39 from rail yards and trucks to warehouses and retail centers; and

40 **WHEREAS**, the Combating Organized Retail Crime Act (CORCA) directly addresses
41 these challenges by improving cross-agency coordination, establishing a centralized
42 coordination center, expanding data-sharing, and strengthening legal authority across
43 jurisdictions; and

44 **WHEREAS**, that the legislation would create an Organized Retail and Supply Chain
45 Coordination Center to bring together federal law enforcement agencies with state and
46 local partners as well as railroad police to counter and dismantle domestic and
47 transnational organized theft operations; and

48 **WHEREAS**, that with strong bipartisan support and endorsement from law enforcement,
49 the retail industry, and freight carriers, CORCA will strengthen the resilience of our
50 state’s logistics and transportation systems and protect the economic lifelines of the
51 communities we represent; and

52 **NOW, THEREFORE, BE IT RESOLVED**, NCSL recognizes this bipartisan bill would
53 modernize the federal response to international organized cargo and retail theft – and
54 urges Congress to pass the Combating Organized Retail Crime Act (CORCA), H.R.
55 2853 and S.1404.

COMMITTEE: TRANSPORTATION

**POLICY: STATE SUPPORT GRADE CROSSING ELIMINATION
AND SEPARATION PROGRAMS**

TYPE: CONSENT RESOLUTION

WHEREAS, the National Conference of State Legislatures wishes to support sound public policies that encourage states to take matters into their own control to protect human life, preserve mobility and enhance economic development by creating state-funded, highway-railroad grade crossing safety enhancements, including roadway separations and eliminations; and

WHEREAS, there are more than 200,000 at-grade, public railroad crossings throughout the country; and

WHEREAS, thanks to billions of dollars of upgrades to grade crossing warning features including gates, lights and bells, since 1981 grade crossing collisions have decreased from 9,461 collisions, down 443%, to 2,131 collisions in 2021; and

WHEREAS, since 1981, grade crossing collisions have decreased from 728 fatalities, down 307%, to 237 fatalities in 2021; and

WHEREAS, since 1981 grade crossing collisions have decreased from 3,293 injuries, down 504%, to 653 injuries; and

WHEREAS, the National Association of County Officials (NACo), National League of Cities (NLC), and American Association of State Highway and Transportation Officials (AASHTO) have previously urged Congress to support improved rail safety programs, including supporting additional founding to local governments, state, and railroads to further improve grade crossings and separations allowing for safer interactions between road and rail traffic; and

WHEREAS, rail interstate networks between cities and regions provide essential transportation flow for American goods and passengers; and

WHEREAS, these rail interstate networks are essential to the American economy but in cities, towns, villages, and states throughout the country, their localized presence can

cause negative externalities including road congestion for extended periods of time at rail crossings; and

WHEREAS, the federal Infrastructure Investment and Jobs Act includes approximately \$3 billion in funding to be administered by the Federal Railroad Administration over the next 5 years to build new grade separations and eliminate more road-rail crossings throughout the nation; and

WHEREAS, some state legislatures have created their own, dedicated state grade crossing separation, elimination, and safety enhancement program to leverage those federal dollars in order to unlock new economic development, safety enhancements, and railroad fluidity opportunities throughout each state; and

WHEREAS, 23 U.S.C. Section 130's Railway Highway Crossing Program was introduced in 1987 and over the past 35 years has annually funded several hundred million dollars of federal match for at-grade crossing enhancements, eliminations, and separations that have driven down vehicular and pedestrian fatalities, injuries, and collisions; and

WHEREAS, as part of IIJA, Congress increased incentive payments for grade crossing closures from the previous cap of \$7,500 to the new level of \$100,000 within the federal Section 130 Grade Crossing Safety Fund; and

WHEREAS, also as part of IIJA, Congress expanded the eligible activities under the Section 130 Program to now cover replacement of functionally obsolete warning devices that were improved once before in the early years using Section 130 Program funds; and

NOW THEREFORE BE IT RESOLVED, the National Conference of State Legislatures encourages Congress to continue to create, expand, and enhance state and local grade crossing protection funds which have the effect of improving safety, mobility and economic development potential for both the railroads and motoring public throughout the country.