

Marion County's Potential 2025 Federal Legislative Priorities

1. Medicaid Inmate Exclusion Policy

Background:

Across America, the double standard created by the Medicaid Inmate Exclusion Policy (MIEP) is putting undue strain on our local judicial, law enforcement, public safety, and human services systems. This error in legislation and federal policy results in higher rates of recidivism, increased healthcare costs, and poorer health outcomes for residents. This policy drives the over-incarceration of those suffering from mental health and substance use disorders, as county jails have become the largest behavioral health facilities in the nation.

Recent advocacy efforts have been successful, and Marion County hopes continued advocacy can be as well. In November 2024, the Centers for Medicare & Medicaid Services (CMS) issued a final rule that marks a significant advocacy victory for counties by enhancing access to Medicare for justice-involved individuals in pretrial status or those reentering the community, as CMS finalized its proposal to exclude individuals on bail, parole, and probation or in-home detention and halfway houses from Medicare's "custody" definition. This critical update ensures Medicare can pay for healthcare services provided to these individuals, who were previously ineligible for the program. The rule also updates Medicare's Special Enrollment Period eligibility for justice-involved populations and expands eligibility criteria to include individuals released to community supervision or halfway houses. This expansion simplifies access to Medicare, reducing gaps in coverage and ensuring smoother transitions from incarceration to community life.

Request: Marion County requests that delegate members support Medicaid aligning with Medicare's definitions of continuing versus suspending coverage for pretrial and reentry populations

2. Tax-Exempt Status of Municipal Bonds

Background:

Tax-exempt bonds were written in the first tax code in 1912 and are a well-established financing tool. They are predominantly issued by state and local governments for government infrastructure and capital needs purposes. The debt issued for capital projects helps governments pay for public projects, such as the construction or improvement of schools, streets, highways, hospitals, bridges, water and sewer systems, ports, airports, and other public works.

Over the past half-century, state and local governments have increasingly borne the cost of infrastructure and public improvements. According to the Congressional Budget Office, about 75 percent of public funding for transportation and water infrastructure alone is supplied by state and local governments. The federal savings from the proposed changes will not offset the economic strain that will burden state and local governments (and their taxpayers) because those investments will become more expensive.

Tax-exempt bonds are a critical tool for counties that facilitate the budgeting and financing of long-range investments in the infrastructure and facilities necessary to meet public demand. Without the tax exemption, counties would pay more to raise capital, a cost that would ultimately be borne by the

taxpayers, through means such as reduced spending on the roads and bridges that counties are responsible for, decreased economic development, higher taxes, or higher user fees.

Request: Marion County requests delegate members oppose efforts to eliminate or limit the tax-exempt status of municipal bonds

3. US DOT Funding Related to Road Projects

Background:

Marion County is at the forefront of growth in Florida. Not only are more than 300 people moving into the county each week, but I-75 also carries over 100,000 vehicles daily through the county, 25,000 of which are trucks and tractor-trailers. The Marion County Board of County Commissioners (BCC) and the City of Ocala are actively working together to develop parallel and alternative corridors to I-75 and other key state roads in the area, addressing growing traffic demands and enhancing overall mobility.

Marion County's voter-approved one percent sales tax has generated more than \$250+ million for roadway improvements in the past eight years, helping to manage some of the demands of our growing community. However, as growth continues to accelerate, we are facing a critical shortfall and are unable to provide the necessary relief to our roads, state corridors, and I-75 at the pace needed. Federal transportation funding is essential to bridging this gap and ensuring that we can keep up with the demands of our expanding infrastructure.

With the support of federal road funding, Marion County has been able to significantly improve both mobility and safety for our residents. One notable example is the \$20 million received through the Safe Streets and Roads for All Program, which has been allocated to projects such as the Maricamp Road Multimodal Safety and Access Management Improvements. This project focuses on a nearly 9-mile rural stretch of Maricamp Road, from SE 58th Avenue/State Road 35 south to SE 108th Terrace, an area that serves children from preschool through high school within a mile of the road.

The safety improvements introduced by this project enhance active transportation routes, making them safer and more accessible for children, and eliminating barriers that currently prevent them from using these routes to school. The project will also include the relocation of bus stops, better road access management, improved lighting, and more. These vital improvements are made possible through federal funding, and they will directly benefit the residents of Marion County, ensuring safer travel for families and children throughout the area.

Request: Marion County requests its delegate members support funding programs that are focused on roadway improvement and expansion programs