



**2019 Legislative Conference
FEDERAL ADVOCACY PRIORITIES**

**Promote Needs of Rural Communities in
Infrastructure Package**

Electric cooperatives support bipartisan efforts to develop a robust infrastructure package that improves the economic outlook in America’s rural communities. As owners of critical infrastructure, electric co-ops play an important role in our nation’s economy—supporting 612,000 American jobs and generating \$88 billion annually toward U.S. GDP.

Congress should look beyond urban centers and traditional improvements such as roads and bridges as an infrastructure proposal takes shape. Congress should support three key infrastructure investments: 1) modernize the grid; 2) expand rural broadband access; and 3) electrify the economy.

Congress should support electric cooperative priorities in infrastructure legislation to address the needs of rural communities.

**Protect the Power Marketing
Administrations and TVA**

PMA’s are an important source of renewable energy for more than 600 co-ops serving communities across 34 states. The Administration’s budget proposal calls for the sale of PMA and TVA transmission assets, as well as changing the rate structure from a cost-based system to a market-based system. This change would jeopardize the affordability of electricity for more than 100 million Americans.

Requiring consumers to pay more than is necessary for electricity is harmful to millions of consumers that depend on this energy resource.

Congress again should reject proposals set forth in the Administration’s budget for FY2020 that harm customers of the PMA’s and TVA.

**Protect Your Electric Cooperative’s
Tax-Exempt Status**

Recent changes to the tax code created an unintended consequence for electric co-ops. To maintain tax-exempt status, a co-op must receive at least 85 percent of all income from its members. Government grants may be considered non-member income and could jeopardize a co-op’s tax-exempt status.

Co-ops receive grants for a variety of purposes, including economic development and storm restoration. Electric co-ops should not be forced to choose between their tax-exempt status and restoring power after a natural disaster.

Congress should pass legislation to correct this unintended consequence and protect the tax-exempt status of electric co-ops.

**Stop PBGC from Overcharging Electric
Co-op Pension Plans**

Electric cooperatives are engines of economic development in their communities, providing good jobs with benefits. NRECA offers retirement and health insurance benefits to co-op employees, including a defined benefit pension plan called the Retirement Security (RS) Plan that helps co-ops attract and retain a qualified workforce.

Congress recognized that pension plans like the RS Plan pose virtually no risk of default. Yet, co-ops in the RS Plan continue to pay insurance premiums to the Pension Benefit Guaranty Corporation (PBGC) as if there is such a risk. Legislation championed by Reps. Kind (D-WI) and Kelly (R-PA) adjusts PBGC premiums to be in line with the low risk posed by the RS Plan.

Congress should pass retirement legislation that includes this provision, and members of Congress should co-sponsor such legislation.

**Invite Your Member of Congress
to Visit Your Co-op**

Invite your member of Congress to visit your co-op, attend an annual meeting or tour a facility.



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