

Why You Should Be Monitoring Local Government Actions—and Why It's So Hard to Do

If your organization is tracking state and federal legislation and regulations, you may think you have all your government affairs and compliance bases covered. But local ordinances are increasingly impacting the operations of American businesses. These local government actions are also inherently difficult to monitor. The State Net local government service addresses both issues, allowing organizations to expand the perspective of their government affairs and compliance programs to avoid being blindsided by local ordinances.

Local Governments Increasingly Regulating Business-Critical Issues

The public perception tends to be that local governments only deal with things like public schools, parks and roads, which aren't primary concerns for Fortune 500® companies. But in recent years, local governments have begun asserting themselves in the commercial regulatory space. For example, in the last several years many cities and counties have raised their minimum wage rates, in some cases to more than twice the federal rate of \$7.25 an hour or above even relatively high state rates, as in California and Washington.

Local governments have been increasingly active on other human resource issues as well, including workers' compensation and paid leave. They're also now focusing on corporate issues, like business reporting and licensing requirements; consumer protection issues such as data privacy and mobile broadband; environmental issues including renewable energy and plastic bag bans and taxes; social or socioeconomic issues like immigration, anti-discrimination and [universal basic income](#); and commercial operations such as gaming, ride hailing and home sharing.

The coronavirus pandemic has highlighted the growing [regulatory presence of local governments](#) in the business sphere. In the first few months of the pandemic, about 200 of the nation's largest jurisdictions considered more than 1,300 coronavirus-related ordinances, addressing issues ranging from moratoriums on commercial and residential evictions, to small business assistance programs, to paid leave for full- and part-time workers.

The business community itself recognizes the potential impact of local government activity. It has pushed for state action to block local ordinances in the same way it has long supported federal preemption of state legislation. A [2018 report](#) from the National League of Cities identified 20 or more states where local ordinances dealing with minimum wage rates, paid leave, ride sharing and municipal broadband had been preempted.

Local Governments Abundant and Productive

There are more than [3,100 counties or county equivalents](#) and over [19,500 incorporated places](#) in the United States, according to recent federal government tallies. Those totals include numerous small counties, cities, towns and villages with populations under 1,000, as well as nearly 800 major cities with populations of roughly 50,000 or more. Five hundred of those major jurisdictions alone consider roughly 75,000 ordinances and generate about 400,000 total documents—including resolutions, guidance and meeting minutes—each year.

Some cities and counties are naturally active because of their size. Others are motivated by their political leanings. In recent years, Republicans have controlled much of the federal government and the majority of the nation's state governments, rolling back regulations and enacting conservative policies. So progressive cities and counties across the country have kept themselves busy passing local ordinances to counter federal and state actions.

Local Government Websites Not All User-Friendly

Unlike most federal and state legislative websites, many local government websites aren't well-organized, especially those of smaller cities and counties. They tend to provide a lot of information that doesn't have much relevance beyond the associated jurisdiction's borders, such as dates and details about upcoming local events and celebrations. Some don't have a dedicated page for ordinances. Some bury their ordinances in meeting minutes that must be scanned through in order to access that information. And some don't even maintain dedicated web pages at all, and simply provide updates through social media.

These challenges are compounded for large companies with operations in multiple locations. But they can also come into play for organizations that aren't geographically diversified. As with state legislation, issues can "catch on" among local governments across the country. So identifying emerging trends before they directly impact a particular city or county requires keeping tabs on what local governments elsewhere are doing.

Key takeaway: Local government activity is a critical—and unwieldy—task for government affairs and compliance professionals to manage.

[Learn how](#) the State Net service makes the job of monitoring local government activity manageable.

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About State Net®

State Net offers government affairs and compliance professionals a comprehensive data source and analytical tools to monitor government activity from beginning to end for the federal government, all states, territories, localities and the District of Columbia. This enables users to cut through large volumes of data to get the most current, relevant and reliable information on government activity to evaluate impacts to their business and move more decisively.

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Much of the information in this article is based on research conducted by State Net and W. Mark Crain, William E. Simon Professor of Political Economy at Lafayette College, and a leading authority on quantitative analysis of government activity.

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