



NATIONAL CONFERENCE *of* STATE LEGISLATURES

The Forum for America's Ideas

December 2, 2013

The Honorable Patty Murray
Chairman, Budget Committee
U.S. Senate
Washington, D.C. 20510

The Honorable Paul Ryan
Chairman, Budget Committee
U.S. House of Representatives
Washington, D.C. 20515

Bruce W. Starr
*Senator
Oregon
President, NCSL*

Thomas W. Wright
*Chief of Staff to Speaker
Alaska
Staff Chair, NCSL*

William T. Pound
Executive Director

Dear Chairman Murray and Chairman Ryan:

The National Conference of State Legislatures (NCSL) urges the joint House-Senate budget committee to reach agreement on a FY 2014 budget and achieve a sustainable fiscal path to manage the nation's long-term debt. States need certainty as to what federal funds to ultimately expect for the upcoming fiscal year as states address continuing fiscal and budget challenges.

We understand the fiscal challenges confronting Congress as you finalize a budget for FY 2014. NCSL urges you to agree on a discretionary spending limit and complete FY 2014 appropriations to provide state legislatures with budget certainty. As states begin their legislative sessions, state legislators seek fiscal assurances as they work to balance their own budgets. Short-term extensions, such as a continuing resolution, provide only a temporary solution and undermine each state's ability to provide critical services in a timely and effective manner.

Any budget plan that achieves long-term savings should not export the federal deficit to state and local governments through spending reductions that do not achieve commensurate savings for states. States have already been the recipient of reduced federal spending through sequestration and caps on discretionary spending. We urge Congress to work collaboratively with state legislators to produce savings that create efficiencies at both the federal and state level.

Part of NCSL's mission is to represent the states and their legislatures in the American federal system of government consistent with support of state sovereignty and state flexibility and protection from unfunded federal mandates and unwarranted federal preemption. This charge applies to our fiscal priorities. While states have already endured reductions to state-federal programs and anticipate more in the future, shifting costs while not providing greater program flexibility or relief from maintenance of effort requirements would be detrimental to states.

In crafting a budget for FY 2014 and subsequent budget efforts, we respectfully request that you consider the following:

- Impose no new unfunded federal mandates and provide states with additional flexibility on existing mandates and conduct UMRA analysis of any recommendations.
- Maintain the tax-exempt status of state and local government bonds for infrastructure and capital projects.

- Extend state and local tax deductibility for federal income tax purposes.
- Enact the Marketplace Fairness Act or similar e-fairness legislation to authorize the collection of state and local sales and use taxes from remote sellers.
- Uphold state authority for public employee participation in Social Security and Medicare.
- Complete work on the 2013 Farm Bill Reauthorization this year to ensure certainty for both the farm and nutrition communities.
- Extend authorization for the Temporary Assistance for Needy Families (TANF).

For additional information, please contact Sheri Steisel (202-624-8693; sheri.steisel@ncsl.org) and Jeff Hurley (202-624-7753; jeff.hurley@ncsl.org). Thank you for consideration of this request, and we welcome an opportunity to discuss this fiscal challenge with each of you in the near future.

Sincerely,



Senator Bruce Starr
Oregon Senate
President, NCSL



Senator Debbie Smith
Nevada Senate
President-Elect, NCSL



Senator Curt Bramble
President Pro Tem, Utah Senate
Vice President, NCSL

CC: Members of the U.S. Senate and the U.S. House of Representatives