

Congress of the United States
Washington, DC 20515

October 18, 2012

The Honorable Robert F. McDonnell
Governor
1111 East Broad Street
Richmond, VA 23219-1934

Dear Governor McDonnell,

We share your concern over the looming across-the-board cuts in federal spending known as sequestration. With more than one-third of Virginia's economy driven by federal expenditures, any reduction whether it is in defense or domestic spending would have a disproportionate effect on the Commonwealth.

We find ourselves in this situation as a result of the House leadership's unwillingness to compromise on a balanced solution to achieve the savings required under the bipartisan Budget Control Act, legislation you supported last year to avert a catastrophic default on the nation's credit. We already are seeing the effects of delayed action on the national debt crisis ripple through the economy. The uncertainty created by Congress' inaction has led employers to hold back on hiring and purchasing, which has created a drag on the recovery, and S&P cited the partisan rhetoric of the House leadership in last year's unprecedented downgrading of the U.S. credit rating. This is why we have consistently pushed for Congress to achieve a balanced, bipartisan solution sooner rather than later. In fact, we urged House leadership to forego the traditional August recess to work toward a solution.

We must say we were puzzled by your recent letter to the President and congressional delegation urging support for the cuts-only approach of the Sequester Replacement Reconciliation Act (H.R. 5652). Your concerns about the impact on Virginia of a sequester to defense spending, which we share, applies almost equally to nondefense discretionary spending, to which your letter is silent. Close to half the \$20.9 billion in lost state gross product that Dr. Stephen Fuller cites, approximately \$9 billion, would come from non-defense discretionary spending. By directing all spending reductions to the non-defense discretionary account, H.R. 5652 is certain to trigger an even greater loss to Virginia than the figure cited by Dr. Fuller, delivering a devastating blow to Virginia's economy and its at-risk residents.

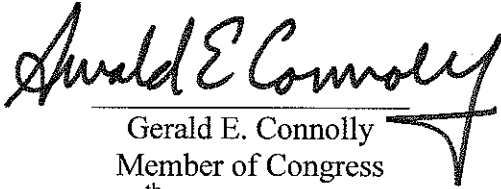
Specifically, the House bill calls for reducing nutrition assistance for low income families and eliminating support for Meals on Wheels and assistance for children and adults with disabilities. It also would trigger massive layoffs in the federal workforce and increase the financial burden on those still employed. As you know, Virginia is home to one of the largest concentrations of federal workers in the nation, so that would be particularly harmful to our residents and economy. Contrary to its title, the bill does not avert sequestration, instead shifting cuts to safety-net domestic programs in the early years and leaving the door open to across-the-board cuts in later years.

Last year at this time, you wrote to us urging a bipartisan solution without taking any options off the table, including revenue. We applauded your initiative. It was reflective of the proud tradition of Virginia governors working with the congressional delegation to rise above narrow partisan interests to do what's right for the Commonwealth and setting an example for the rest of the nation. Given your prominent role in both the

National Governors Association and the Republican Governors Association, you are uniquely positioned to carry forward that mantle.

So we hope you will join us in calling on Speaker Boehner and Majority Leader Cantor to begin discussions on a balanced deficit reduction package that can garner bipartisan support. We stand ready to work with you to achieve a balanced solution that delivers on the tradition of our Commonwealth.

Sincerely,



Gerald E. Connolly
Member of Congress
11th District, Virginia



James P. Moran
Member of Congress
8th District, Virginia



Robert C. "Bobby" Scott
Member of Congress
3rd District, Virginia