



NEWS FROM

The United States Senate

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Bipartisan Group of Senators Writes Reid, McConnell Letter on Sequestration

WASHINGTON – A bipartisan group of senators sent the following letter to Senate Majority Leader Harry Reid (D-NV) and Senate Minority Leader Mitch McConnell (R-KY). The letter was signed by Sens. Carl Levin (D-MI), John McCain (R-AZ), Jeanne Shaheen (D-NH), Lindsey Graham (R-SC), Sheldon Whitehouse (D-RI) and Kelly Ayotte (R-NH).

The text of the letter follows:

September 21, 2012

The Honorable Harry Reid
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Republican Leader
United States Senate
Washington, DC 20510

Dear Majority Leader Reid and Republican Leader McConnell:

We face a critical challenge in the next few months: balancing the need to reduce the deficit with the need to safeguard important priorities, particularly protecting our national security, vital domestic programs, and our economic recovery. We believe it is imperative to enact a bipartisan deficit reduction package to avoid the severe economic damage that would result from the implementation of sequestration. Any deficit reduction package should be long term and should provide as much certainty as possible for businesses and consumers.

The Congressional Budget Office has already warned sequestration in combination with the expiration of current tax policy could send our fragile economy back into a recession and raise unemployment above 9 percent, and the administration agrees that sequestration “would be deeply destructive to national security, domestic investments, and core government functions.” Failure to act to address the debt would result in sequestration taking effect in January 2013 with significant detrimental impact on our fragile economic recovery. According to a report done for the Aerospace Industries Association, if sequestration is allowed to occur in January, the nation will lose approximately 1 million jobs because of defense budget cuts and 1 million jobs because of domestic cuts in 2013.

Make no mistake about the devastating impact of sequestration. According to Defense Secretary Leon Panetta, sequestration would leave our nation with its smallest ground force since 1940, smallest number of ships since 1915, and smallest Air Force in its history, and “would inflict severe damage to our national defense for generations.” The indiscriminate across-the-board defense cuts scheduled to start this January would result in a 9.4 percent reduction to defense discretionary funding and a 10 percent reduction to defense mandatory spending programs. The administration reports that “sequestration would result in a reduction in readiness of many non-deployed units, delays in investments in new equipment and facilities, cutbacks in equipment repairs, declines in military research and development efforts, and reductions in base services for military families.” Specifically, the Army would see a \$7 billion reduction in operations and maintenance (O&M) funding, and the Navy and Air Force would lose another \$4.3 billion each in their O&M accounts.

In addition, sequestration’s impact will be felt beyond the Department of Defense. On the non-defense spending side, the administration reports that sequestration would “undermine investments vital to economic growth, threaten the safety and security of the American people, and cause severe harm to programs that benefit the middle-class, seniors and children.” The National Institutes of Health would face a \$2.5 billion cut and “would have to halt or curtail scientific research, including needed research into cancer and childhood diseases.” The Centers for Disease Control and Prevention would see a \$464 million cut, and states and local communities would lose billions in federal education funding for Title I, special education State grants, and other programs.

Based on this, we are committed to working together to help forge a balanced bipartisan deficit reduction package to avoid damage to our national security, important domestic priorities, and our economy.

Sequestration will endanger the lives of America's service members, threaten our national security, and impact vital domestic programs and services. Meeting this challenge will require real compromise, and we do not believe that Congress and the president can afford to wait until January to begin to develop a short term or long term sequestration alternative. All ideas should be put on the table and considered. Accordingly, we urge you to press between now and November the Congressional Budget Office and the Joint Committee on Taxation to score any bipartisan proposals forwarded to them so that Congress may evaluate these plans.

We believe it is important to send a strong signal of our bipartisan determination to avoid or delay sequestration and the resulting major damage to our national security, vital domestic priorities, and our economy.

Carl Levin
John McCain
Jeanne Shaheen
Lindsey Graham
Sheldon Whitehouse
Kelly Ayotte

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