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February 14, 2013

The Honorable John Boehner
Speaker
U.S. House of Representatives
H-232 The Capitol
Washington, DC 20515

RE: Replace Sequestration – Avoid Job Losses in Florida

Dear Speaker Boehner:

I respectfully urge you to begin negotiations to avoid the harmful job losses that will result in Florida under the current structure of the Budget Control Act (BCA) of 2011 and “sequestration.” In House Budget Committee testimony yesterday, CBO Director Elmendorf noted that if the Congress proceeds under the current structure, hundreds of thousands of jobs could be lost - 750,000 jobs by the fourth quarter - and the economy will face significant headwinds to improvement. This does not have to happen.

The Budget Control Act and sequester were intended to bring Democrats and Republicans together to develop a long term federal debt reduction plan. Fortunately, we have made significant progress by reducing the debt by \$2.4 trillion since the start of fiscal year 2011 – three-quarters of that in spending cuts. We need to do more, however, to achieve a truly balanced long-term strategy. The problem with the structure of the sequester is that it cuts in the wrong places at the wrong time. It forces immediate, undue pain and job losses to our major economic drivers and avoids tackling the source of rising debt. If you force outrageous cuts to research, education, infrastructure and public safety, we will harm America’s ability to rebound from the great recession and throw a wrench into the economic recovery.

The forced cutbacks in my community’s major economic drivers are great cause for concern. For example, medical research and innovation has been a fundamental economic catalyst in the Tampa Bay region. Top-rated research institutions, such as the University of South Florida (USF) and Moffitt Cancer Center, rely heavily on investments from the National Institutes of Health (NIH) to conduct vital research, develop new cancer treatments, understand the causes of Alzheimer’s and treat America’s veterans with the most effective therapies. These investments help all Americans and support the higher-wage jobs that my community needs.

USF and Moffitt were awarded over \$100 million in NIH and National Cancer Institute funding in fiscal year 2012. They will face drastic cuts if sequestration occurs. According to a recent study from United for Medical Research, Florida is estimated to see a reduction in NIH funding of over \$25 million and almost 650 jobs will be lost if you allow these drastic and draconian cuts to occur. The ripple effect will be more severe on a diverse cross-section of local businesses – from small business supply companies to larger medical device manufacturers. Not only will the research components of hospitals and universities face cuts, but an estimated 35,800 health care related jobs will be lost in 2013 alone. These draconian cuts must be prevented and we have only a finite number of days left to stop them.

In addition to cuts to USF and Moffitt, the sequester will deal a harsh blow to students, teachers and our public schools. I fear for the students and families who rely on Head Start for readiness in their critical early learning years. As one of the largest school districts in the nation, Hillsborough County would face particularly steep cutbacks in terms of funding and would severely weaken its ability to provide students with the tools they need to be successful. Dire cuts to students and education are short-sighted.

The military is a substantial economic driver in Florida and specifically in Tampa Bay with MacDill Air Force Base. The Air Force has a large presence in our state and it is estimated that sequestration will lead to 2,145 civilian workers being furloughed and over \$94.5 million in lost wages. Those are dollars that go directly into local economies to buy groceries, gas and support our local small businesses. A study done last summer by George Mason University on the economic impact of the Budget Control Act on Department of Defense (DOD) and Non-DOD agencies concludes that, directly or indirectly, almost 80,000 jobs will be lost due to the spending reductions in the BCA. The same study also determines that Floridians will see more than \$4 billion in income loss. Irrational, across-the-board cuts to the missions at MacDill Air Force Base, our ports, airports and law enforcement are a recipe for higher unemployment.

I urge you to consider other options. Together with U.S. Rep. Chris Van Hollen, I have drafted an amendment that would stop the 2013 sequester, replace it with a mix of spending cuts and revenue increases, and call for a balanced solution to ease the pain of the current year sequester and job losses. I urge you to allow a vote on the proposal to avoid the economic harm that faces our communities and businesses. Jobs and economic opportunities tied to innovation, research, education, Head Start, defense, and infrastructure will be significantly harmed if these cuts occur. This is a time for leadership and attention to our economic future and the job losses must be avoided. Thank you.

If you have any questions or comments, please do not hesitate to contact me or Elizabeth Brown, my Legislative Director at 202-225-3376.

Sincerely,



Kathy Castor
U.S. Representative
Florida – District 14