

April 29, 2013



Mr. Daniel Werfel, Controller  
Office of Federal Financial Management  
The United States Office of Management and Budget  
Eisenhower Executive Office Building  
Room 536  
1650 Pennsylvania Ave, NW  
Washington, DC 20503

**RE: OMB Memorandum M-13-11**

Dear Controller Werfel:

On behalf of state and local officials nationwide, our organizations are writing to request a meeting with you to discuss important issues surrounding the ongoing implementation of the sequestration order as required under the Balanced Budget Emergency Deficit Control Act of 1985, as amended.

As you are aware, our organizations worked closely with your office to implement the American Recovery and Reinvestment Act (ARRA). The collaboration that occurred under your direction and leadership in carrying out the requirements of ARRA was commendable and should serve as an example of how federal, state and local governments should be interacting on an ongoing basis.

It is more important now than ever that we work collaboratively to provide needed information and maximize the use of diminishing resources. Many of the difficult issues we face serving the American people require a partnership among all levels of government, and efforts to reduce the federal deficit, including the most recent sequestration order, will require all of us to think bigger and work smarter. In your recent memorandum M-13-11: "Ongoing Implementation of the Joint Committee Sequestration," OMB directs agencies that provide grants or other forms of financial assistance to states, localities or tribal governments to consider ways to help such entities mitigate the effects of funding reductions because of sequestration through reducing administrative burdens or other standard administrative processes. To accomplish this goal, OMB must play a leadership role in providing strong oversight and guidance to agencies. We respectfully suggest that meeting the objectives of the memorandum should be used as an opportunity to achieve red tape reductions, administrative cost efficiencies, and program restructuring while working collaboratively to avoid mixed messaging and uncertainty.

Unfortunately, we already have learned of sequestration issues that surround varying interpretations across the agencies. As you know, conflicting and sometimes confusing communications can cause unnecessary repercussions, as was experienced during ARRA implementation.

We hope to hear from you very soon to set up a date for us to meet; please do let us know if you require assistance in convening the group. We believe that it is important that we work cooperatively and in a dedicated manner to outline a strategy to eliminate confusion and reduce unnecessary administrative burden. We therefore urge a meeting soon and look forward to continuing regular on-going communication and collaboration.

Sincerely,

Dan Crippen, Executive Director  
National Governors Association

William T. Pound, Executive Director  
National Conference of State Legislatures

David Adkins, Executive Director  
The Council of State Governments

Matt Chase, Executive Director  
National Association of Counties






Clarence Anthony, Executive Director  
National League of Cities



Tom Cochran, Executive Director  
The U.S. Conference of Mayors



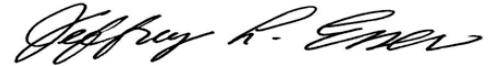
Robert J. O'Neill, Jr., Executive Director  
International City/County Management  
Association



Scott Pattison, Executive Director  
National Association of State Budget Officers



Robert "Kinney" Poynter, Executive Director  
National Association of State Auditors,  
Comptrollers and Treasurers



Jeffrey Esser, Executive Director  
Government Finance Officers Association

*The "Big 7" is a coalition of seven national associations in Washington, D.C., whose members represent state and local governments. The leadership of these organizations works together regularly to discuss issues of mutual interest affecting state and local governments. Members of the "Big 7" include: The National Governors Association, the National Conference of State Legislatures, The Council of State Governments, the National Association of Counties, the National League of Cities, The U.S. Conference of Mayors and the International City/County Management Association.*