



December 6, 2013

The Honorable Dianne Feinstein
United States Senate
331 Hart Senate Office Building
Washington, DC 20510

The Honorable Barbara Boxer
United States Senate
112 Hart Senate Office Building
Washington, DC 20510

Re: Avoid Sequestration: Part 2

Dear Senators Feinstein and Boxer:

On behalf of the LA Jobs Defense Council, a network of Southern California-based organizations and leaders from the business, labor, education, nonprofit, and public sectors dedicated to protecting the hundreds of thousands of workers, countless families and entire communities throughout the region and state that will be harshly affected by the “**second sequestration’s**” automatic, across-the-board and completely indiscriminate round of cuts set to trigger 15 days after Congress adjourns, we **once again** urge your leadership to:

1. Pass a Continuing Resolution (CR) by the December 13th deadline that both avoids another government shutdown by the January 15th expiration of the current CR **and** includes higher spending caps to provide immediate sequestration relief;
2. Pass legislation that modifies the Budget Control Act to include long-term sequestration relief; and
3. Set top-line spending caps, allow the appropriations process to proceed and find a long-term budget compromise to ensure we do not face this absurd choice of either a governmental shutdown or another round of sequestration cuts ever again.

This second sequestration has the potential to harm California’s economy more than we have already seen with the 2013 sequester and the temporary government shutdown. While the \$1 trillion in federal spending cuts over 10 years began to take effect this year, we all know that much of this year’s sequestration cuts were not entirely felt due to a variety of reasons, including certain federal agency and department efficiency gains, accounting gimmicks and temporary relief provided by some short-term Congressional fixes to reduce the first year’s real impacts from \$109 billion to \$85.3 billion. However, come January we will be unable to rely on and benefit from these same one-time, artificial fixes that we had this year: most of these reserve funds have dried up; agencies have already implemented many of the efficiencies available to them; and the short-term fixes by Congress have proven to be transient, only prolonging the pain and adding to the economic and job loss stress we will face in 2014 and the years that follow.

In Southern California, we have already felt the grievous effects of a partially-implemented sequestration can do to our local economy, which is endowed with, is heavily invested in and is, in part, economically dependent on our abundance of aerospace, analytical instruments and other defense-related businesses. We shudder to think about a second and more significant round of sequestration cuts, and what it will do to our economy and leading defense-related industries when it delivers an additional \$20 billion hit to the defense department – not mention the additional cuts that will be made to already hard-hit programs, on which most of our 100+ communities within the top quartile of



unemployment and poverty in the state depend, such as Meals on Wheels, Head Start and domestic violence programs.

Our economy is simply too fragile to withstand any additional uncertainty brought about by the inability to reach a long-term budget compromise and avoid further sequestration cuts. We consistently hear from companies as well as organizations and government partners that the “not knowing” prevents their additional investment in hiring employees, funding innovation or research and development, developing new technologies and launching new product lines, and more. Southern California stands to face a disproportionately negative impact on our economy from sequestration, and with a still far-too-high unemployment rate of 8.9 percent (October 2013) in Southern California, we believe that there is no greater immediate threat to our economic recovery and long-term economic wellbeing than the budgetary uncertainty, sequestration, and government shutdown.

For the sake of the Southern California, State of California and national economies, we urge you to carry on your stellar records in DC of embracing bipartisan solutions to protect jobs here at home in California and urge you to find a way to avoid the second sequestration and government shutdown, to move the budget negotiations and appropriations processes forward, and to help bring all sides together around a balanced and thoughtful “grand bargain” to avoid this continual lurch from crisis to crisis.

Sincerely,

A handwritten signature in cursive script that reads 'George Burden'.

George Burden
Co-Chair, L.A. Jobs Defense
Council

A handwritten signature in cursive script that reads 'Norm Hickling'.

Norm Hickling
Co-Chair, L.A. Jobs Defense
Council

cc:

President Barack Obama
Senator Mitch McConnell, Minority Leader
Senator Harry Reid, Majority Leader

Speaker of the House John Boehner
Congressmember Nancy Pelosi, Minority Leader
Honorable Members of the US Senate and House
of Representatives Budget and Appropriations
Committees