NACo National Association of Counties
The Voice of America's Counties
News Release

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NACo: Federal budget deficit cannot be solved on the backs of state and local governments

Counties urge special deficit committee to use balance approach

WASHINGTON, D.C. – National Association of Counties' (NACo) President Lenny Eliason today urged the 12 members of the so-called Congressional "super committee" tasked to cut billions in federal spending to close the budget deficit by Thanksgiving to exercise a "balanced approach."

In an Aug. 31 letter to the bipartisan and bicameral Joint Select Committee on Deficit Reduction, Eliason argued on behalf of the nation's counties that the deficit cannot be solved only by cutting domestic, non-military discretionary programs. He stressed that county governments are partners with the states and the federal government in providing important services and programs to the American people.

"Our 'special interests' are our constituents, who have put their trust in us as public servants to adopt sound fiscal policies while providing for the basic services they pay for," said Eliason, who chairs the Athens County, Ohio Board of Commissioners. "NACo supports a balanced approach to tackling America's debt."

Earlier this year, NACo adopted four key principles that Congress and the Administration should consider to guide their deficit reduction discussions:

- The budgetary deficit cannot be solved only by cutting domestic, non-military discretionary programs;
- Deficit reduction should not be accomplished by shifting costs to counties, (e.g. cuts to Medicaid) imposing unfunded mandates, or by preempting county programs or taxing authority;
- Federal assistance to state and local governments will help mitigate further public-sector layoffs; and
- Federal investment in state and local infrastructure produces private-sector jobs.

Of particular concern to counties is the potential shifting of costs to state and local governments in order to "find elusive savings."

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"State and local governments, which must balance their budgets annually, will need flexibility in dealing with unnecessary and onerous government regulations and increased mandates, which should be rejected," Eliason wrote in the letter. "With regard to tax reform, we urge the committee to reject ideas that may limit our ability to seek new revenues in order to balance our budgets and to provide for constituent needs."

The select committee is charged with recommending by Nov. 23 at least $1.5 trillion in additional deficit reduction steps to happen over a 10–year period. The committee's recommendations will then be put to a simple up or down vote by Congress by Dec. 23. If the committee fails to agree on a package or the full Congress fails to pass it, "trigger mechanisms" would enact $1.2 trillion in automatic spending cuts to serve as the second installment of deficit reduction measures.

The full text of the letter, which was also sent to Congressional leadership, is available by clicking here or visiting the NACo website at www.naco.org.

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The National Association of Counties (NACo) is the only national organization that represents county governments in the United States. Founded in 1935, NACo provides essential services to the nation's 3,068 counties. NACo advances issues with a unified voice before the federal government, improves the public's understanding of county government, assists counties in finding and sharing innovative solutions through education and research, and provides value-added services to save counties and taxpayers money. For more information about NACo, visit www.naco.org.