

**National Governors Association (NGA)**  
**National Conference of State Legislatures (NCSL)**  
**The Council of State Governments (CSG)**  
**National Association of Counties (NACo)**  
**National League of Cities (NLC)**  
**The United States Conference of Mayors (USCM)**  
**International City/County Management Association (ICMA)**  
**Government Finance Officers Association (GFOA)**  
**National Association of State Auditors, Comptrollers and Treasurers (NASACT)**  
**National Association of State Budget Officers (NASBO)**  
**National Association of State Chief Information Officers (NASCIO)**  
**National Association of State Procurement Officials (NASPO)**  
**National Association of State Retirement Administrators (NASRA)**  
**National Conference of State Social Security Administrators (NCSSSA)**  
**National Council on Teacher Retirement (NCTR)**

November 2, 2011

The Honorable  
The United States Senate  
Washington, DC 20510

Dear Senator:

We are writing on behalf of the state and local government organizations above to request your immediate support for full repeal of Section 511 of the Tax Increase Prevention and Reconciliation Act of 2005 (P.L. 109-222). Section 511 requires federal, state, and local governments to withhold three percent on payments made for most goods and services. Legislation to fully repeal Section 511 recently passed the House of Representatives and is awaiting Senate consideration. We ask that you join the House of Representatives and the Administration in supporting repeal. We urge Senate leaders to take immediate action so that state and local governments do not have to begin focusing scarce resources on implementation at a time when those same resources are desperately needed to carry out important government programs.

Full repeal of Section 511 enjoys strong bipartisan support, with 405 members of the House voting in favor of repeal. The Administration has also expressed its support for repeal of the three percent withholding requirement in a statement of Administration policy issued on October 25.

Immediate action to repeal this onerous requirement is of the utmost importance to state and local governments, as the sophistication of systems necessary to capture and report the required data vary greatly between governments and those entities simply do not have the resources, capacity or staff to undertake the required withholding and remittance.

Please contact leadership today and request that full repeal of Section 511 be considered immediately. State and local governments must start spending scarce resources now in order to comply with a January 2013 deadline, and your assistance is greatly needed. The goal of our tens of thousands of members representing state and local governments is, and needs to remain, focusing on the very important task of delivering vital public services.

Should you have questions or if we can be of assistance in any way, please contact our representatives in Washington.

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