



National Association of State  
Auditors, Comptrollers and Treasurers

# WASHINGTON UPDATE

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## Possible Federal Shutdown on the Horizon

The Senate on Friday passed a continuing resolution (CR) spending measure to avert a federal government shutdown on October 1st. Nonetheless the House over the weekend sent back to the Senate HJ Res 59 that would delay the Affordable Care Act for one year and repeal the medical devices tax that provides partial funding for the law.

The Senate is expected to reject the House amendments this afternoon and again send back to the House a “clean” spending plan. The next several hours will determine whether an agreement can be reached. Below are several links to important information related to a federal government shutdown.

The first link is to a U.S. Office of Management and Budget memorandum to federal agencies dated September 17. Please note that the OMB memorandum contains an addendum with a series of frequently asked questions that may be helpful in understanding how grants and contracts may be affected. The second link provides various federal agency contingency plans, taking content from the experiences of 2011. The last link is to a congressional research report regarding a federal shutdown.

<http://www.whitehouse.gov/sites/default/files/omb/memoranda/2013/m-13-22.pdf>  
<http://www.whitehouse.gov/omb/contingency-plans>  
<http://www.fas.org/sgp/crs/misc/RL34680.pdf>

## Online Sales Tax Issue Sparks in House Judiciary

While the vast majority of media focus has been on the possible federal government shutdown, House Judiciary Committee Chairman Bob Goodlatte (R-VA) has released an outline of how he thinks the debate about online sales tax legislation should proceed, indicating that the issue could have momentum behind the scenes. State governments have pressed Congress to pass this legislation for years, citing billions in lost sales tax revenue as consumers focus more of their expendable income on online purchases.

In releasing his outline, Chairman Goodlatte announced:

“Americans across the country are affected by the issue of Internet sales tax whether they are consumers or business owners. The aim of the principles is to provide a starting point for discussion in the House of Representatives. I greatly look forward to hearing fresh approaches to this issue and continuing the discussion.”

The House Judiciary Committee’s “Principles on Internet Sales Tax” can be found at

<http://judiciary.house.gov/news/2013/09182013.html>.