RANDY HULTGREN
14TH DISTRICT, ILLINOIS

427 CANNON HOUSE OFFICE BUILDING
(202) 225-2976

1797 WEST STATE STREET, SUITE A
GENEVA, IL 60134
(630) 232-7104

119 WEST FIRST STREET
DIXON, IL 61021
(815) 288-1174

100 WEST MAIN
GENESEO, IL 61254

http://hultgren.house.gov

Congress of the United States
House of Representatives
Washington, DC 20515–1314

June 28, 2013

John Boehner
Speaker of the House
The Capitol
Washington DC 20515

Nancy Pelosi
Democratic Leader
The Capitol
Washington, DC 20515

Dear Speaker Boehner and Leader Pelosi:

We are writing to express serious concerns regarding proposals to eliminate or cap the deduction on tax-exempt municipal bonds in the Fiscal Year 2014 Budget Proposal.

For more than a century, municipal bonds have enjoyed tax-exempt status and have been the primary method by which state governments and local municipalities finance public capital improvements and infrastructure construction. These projects are engines of job creation and economic growth, and it is imperative that their tax-exempt status remain unchanged.

Over the last decade, municipal bonds have funded more than $1.9 trillion worth of infrastructure construction. This financing went to the construction of schools, hospitals, airports, affordable housing, water and sewer facilities, public power utilities, roads, and public transit. In 2012 alone, more than 6,600 tax-exempt bonds financed more than $179 billion in infrastructure spending.

As you have stated before, now is the time to invest in America. Yet, the President's Fiscal Year 2014 Budget Proposal recently submitted to Congress proposed capping the tax deduction for municipal bonds at 28 percent. Eliminating or capping the current deduction on municipal bonds would severely curtail state and local governments' ability to invest in themselves. It would increase borrowing costs to public entities and shift costs to local residents through tax or rate increases.

Moreover, eliminating or capping the current deduction on municipal bonds would slow the growth of job-creating infrastructure projects. In these tenuous economic times, it would be irresponsible to jeopardize funding for the dedicated citizens who work in these important facilities such as teachers, firefighters, police officers, hospital workers and librarians as well as the construction workers who build them.

PRINTED ON RECYCLED PAPER

As the discussion on various budget proposals continues and the national discussion on comprehensive tax reform begins, it is our hope that you will reject proposals to alter the tax-exempt status of municipal bonds. While we agree that we must reduce government spending and our country's unsustainable debt, we should not be eliminating a vital tool for job growth and economic development. Thank you for your time and attention to this important national matter.

Sincerely,

Dutch Ruppersberger
Member of Congress

Randy Hultgren
Member of Congress

Michele Bachmann
Member of Congress

Paul Tonko
Member of Congress

Henry Waxman
Member of Congress

Walter B. Jones
Member of Congress

Alan Lowenthal
Member of Congress

Jim Matheson
Member of Congress

Jason Chaffetz
Member of Congress

Lois Frankel
Member of Congress

Suzanne Bonamici
Member of Congress

Eliot Engel
Member of Congress

Doris Matsui
Member of Congress

James McGovern
Member of Congress

Elijah Cummings
Member of Congress

Brad Sherman
Member of Congress

Joaquin Castro
Member of Congress

Brett Guthrie
Member of Congress

Howard Coble
Member of Congress

Dennis Ross
Member of Congress

Keith Ellison
Member of Congress

Gloria Negrete McLeod
Member of Congress

Jeff Miller
Member of Congress

André Carson
Member of Congress

Elizabeth Esty
Member of Congress

Randy Weber
Member of Congress

David Price
Member of Congress

Marc Veasey
Member of Congress

Gregory Meeks
Member of Congress

Mike Coffman
Member of Congress

Matt Salmon
Member of Congress

Duncan Hunter
Member of Congress

Brad Schneider
Member of Congress

Dan Benishek
Member of Congress

Rob Wittman
Member of Congress

Lou Barletta
Member of Congress

Mike Rogers
Member of Congress

Gwen Moore
Member of Congress

Hank Johnson
Member of Congress

Carolyn Maloney
Member of Congress

John Conyers
Member of Congress

Albio Sires
Member of Congress

Mike Michaud
Member of Congress

Pete Gallego
Member of Congress

Derek Kilmer
Member of Congress

Ann McLane Kuster
Member of Congress

Alcee Hastings
Member of Congress

Patrick Murphy
Member of Congress

Scott Peters
Member of Congress

Adam Schiff
Member of Congress

Bill Pascrell
Member of Congress

G.K. Butterfield
Member of Congress

Michael Grimm
Member of Congress

Earl Blumenauer
Member of Congress

Carol Shea-Porter
Member of Congress

Andy Barr
Member of Congress

David Joyce
Member of Congress

Cedric Richmond
Member of Congress

Eleanor Holmes Norton
Member of Congress

Mike Honda
Member of Congress

Ami Bera
Member of Congress

Rick Larsen
Member of Congress

Linda Sánchez
Member of Congress

Gary Miller
Member of Congress

Chris Stewart
Member of Congress

Cheri Bustos
Member of Congress

Jim McDermott
Member of Congress

Corrine Brown
Member of Congress

Emanuel Cleaver, II
Member of Congress

Betty McCollum
Member of Congress

Chaka Fattah
Member of Congress

Tim Ryan
Member of Congress

Markwayne Mullin
Member of Congress

William Enyart
Member of Congress

Steve Stivers
Member of Congress

Dave Loebsack
Member of Congress

Paul Gosar
Member of Congress

David Scott
Member of Congress

Bill Johnson
Member of Congress

Jan Schakowsky
Member of Congress

Tim Bishop
Member of Congress

Ted Deutch
Member of Congress

Frederica Wilson
Member of Congress

Kyrsten Sinema
Member of Congress

Donna Edwards
Member of Congress

Steven Horsford
Member of Congress

Kevin Cramer
Member of Congress

Mark Takano
Member of Congress

Lois Capps
Member of Congress

Joe Garcia
Member of Congress

Mario Diaz-Balart
Member of Congress

Matthew Cartwright
Member of Congress

Judy Chu
Member of Congress

Ron Kind
Member of Congress

Bill Posey
Member of Congress

Suzan DelBene
Member of Congress

Rick Nolan
Member of Congress

Dina Titus
Member of Congress

Billy Long
Member of Congress

Bob Latta
Member of Congress

Julia Brownley
Member of Congress

Cory Gardner
Member of Congress

Tim Walz
Member of Congress

Terri Sewell
Member of Congress

Tammy Duckworth
Member of Congress

Steve Pearce
Member of Congress

Eric Swalwell
Member of Congress

Tony Cárdenas
Member of Congress

Jim Costa
Member of Congress

Marcy Kaptur
Member of Congress

Raul Ruiz
Member of Congress

Jeff Denham
Member of Congress

Lee Terry
Member of Congress

Gary Peters
Member of Congress

Rodney Alexander
Member of Congress

Bob Gibbs
Member of Congress

Bill Foster
Member of Congress

Jerry McNerney
Member of Congress

Spencer Bachus
Member of Congress

Luke Messer
Member of Congress

Colleen Hanabusa
Member of Congress

Carolyn McCarthy
Member of Congress

Ann Kirkpatrick
Member of Congress

Kerry Bentivolio
Member of Congress

John Duncan
Member of Congress

Gerry Connolly
Member of Congress

Trey Radel
Member of Congress

Collin Peterson
Member of Congress

Rob Bishop
Member of Congress

John Delaney
Member of Congress

Pete King
Member of Congress

David Valadao
Member of Congress

Dan Kildee
Member of Congress

Beto O'Rourke
Member of Congress

Jo Bonner
Member of Congress

David Cicilline
Member of Congress

Jim Langevin
Member of Congress

Mike McIntyre
Member of Congress

Denny Heck
Member of Congress